

AN ORDINANCE AUTHORIZING THE
CITY OF FORT WAYNE, TO ISSUE ITS
"ECONOMIC DEVELOPMENT FIRST MORTGAGE
REVENUE BONDS, SERIES 1981
(PRT CORP. PROJECT)" AND APPROVING
OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Fort Wayne Economic Development Commission has rendered its Project Report on the application of PRT Corp. regarding the financing of proposed economic development facilities consisting of acquisition of an existing manufacturing facility and equipment located in Fort Wayne, Indiana, and the City Plan Commission has commented favorably thereof; and

WHEREAS, the Fort Wayne Economic Development Commission conducted a public hearing on September 17, 1981, and also adopted a Resolution on said date, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities as described in the project complies with the purposes and provisions of I.C. 36-7-12 (formerly I.C. 18-6-4.5), and that such financing will be of benefit to the health and welfare of the City of Fort Wayne and its citizens; and

WHEREAS, the Fort Wayne Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council and has approved the forms of and has transmitted for approval by the Common Council the financing documents including: Bond Purchase Agreement and Trust Indenture, Loan Agreement, Mortgage and Security Agreement, Collateral Assignment of Lease and Rentals, Lessee's Consent and Agreement to Lease Assignment, and Lease to Flashfold Carton, Inc., and Series 1981 Bond.

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, THAT:

1 SECTION 1. It is hereby found that the financing of
2 the economic development facilities referred to in the Loan
3 Agreement approved by the Fort Wayne Economic Development
4 Commission and presented to this Common Council, the issuance
5 and sale of revenue bonds, the loan of the proceeds of the
6 revenue bonds to the applicant for the acquisition and con-
7 struction of such facilities and the equipping thereof, the
8 payment of the revenue bonds by the applicant under the Loan
9 Agreement, and the securing of said bonds by such facilities
10 under the financing documents complies with the purposes and
11 provisions of I.C. 36-7-12 (formerly I.C. 18-6-4.5), and will
12 be of benefit to the health and welfare of the City of Fort
13 Wayne, Indiana and its citizens.

14 SECTION 2. The final forms of the financing documents
15 approved by the Fort Wayne Economic Development Commission
16 are hereby approved and all such documents (herein collect-
17 ively referred to as the "Financing Agreement" referred to
18 in I.C. 36-7-12 (formerly I.C. 18-6-4.5), shall be incorporated
19 herein by reference and shall be inserted in the minutes of
20 the Common Council and kept on file by the Clerk.

21 SECTION 3. The City of Fort Wayne shall issue its Eco-
22 nomic Development First Mortgage Revenue Bonds, Series 1981,
23 PRT Corp. Project, in the total principal amount of \$1,600,000.00,
24 payable with interest at 70% of the prime commercial lending
25 rate of the Lincoln National Bank and Trust Company of Fort
26 Wayne, through September, 1986, and at 75% of the prime commer-
27 cial lending rate of said bank from October 1, 1986 through
28 October 1, 1991, for the purpose of procuring funds to pay the
29 costs of acquisition and construction of the economic develop-
30 ment facilities as more particularly set out in the financing
31 documents incorporated herein by reference which bonds will be
32 payable as to principal, premium, if any, and interest from the

1 note payments made by the applicant under the Loan Agreement
2 and Note or as otherwise provided in the financing documents.
3 The bonds shall never constitute a general obligation of, an
4 indebtedness of, or a charge against the general credit of the
5 City of Fort Wayne, Indiana.

6 SECTION 4. The Mayor, Clerk and/or Controller are author-
7 ized and directed to sell such bonds to the purchasers thereof
8 at a rate of interest per annum on the bonds not less than
9 that provided therein, and at a price not less than the
10 principal amount thereof.

11 SECTION 5. The Mayor and Clerk are authorized and directed
12 to execute the documents constituting the financing agreement
13 herein on behalf of the City and any other document which may
14 be necessary or desirable to consummate the transaction, in-
15 cluding the bonds authorized herein. The signatures of the
16 Mayor and Clerk on the bonds may be facsimile signatures.
17 The Clerk is authorized to arrange for delivery of such bonds
18 to the Trustee named in the Loan Agreement, payment for which
19 will be made to said Trustee and delivered by the Trustee to
20 the purchasers thereof.

21 SECTION 6. The provisions of this Ordinance and the fin-
22 ancing documents securing the bonds shall constitute a contract
23 binding between the City of Fort Wayne, Indiana, and the holder
24 of the Economic Development First Mortgage Revenue Bonds, Series
25 1981, PRT Corp. Project, and after the issuance of said bonds,
26 this Ordinance shall not be repealed or amended in any respect
27 which would adversely affect the rights of such holders so
28 long as any of said bonds or the interest thereon remains unpaid.

29 SECTION 7. This Ordinance shall be in full force and
30
31
32

1 effect from and after its passage and signing by the Mayor.

2
3 Vivian L. Schmidt
4 COUNCILMAN

5 APPROVED AS TO FORM AND
6 LEGALITY.

7 John J. Wernet
8 John J. Wernet, Attorney for the
9 Economic Development Commission
Dated this 17 day of September, 1981.

Read the first time in full and on motion by V. Schmidt, seconded by Gia Quintana and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on 9-22-81, the 19 day of October, at 5 o'clock M., E.S.T.

DATE: 9-22-81

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by V. Schmidt, seconded by John Nuckols, and duly adopted, placed on its passage. PASSED (LOST) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	<u>9</u>	<u>0</u>			
BURNS	<u>X</u>				
EISBART	<u>X</u>				
GiaQUINTA	<u>X</u>				
NUCKOLS	<u>X</u>				
SCHMIDT, D.	<u>X</u>				
SCHMIDT, V.	<u>X</u>				
SCHOMBURG	<u>X</u>				
STIER	<u>X</u>				
TALARICO	<u>X</u>				

DATE: 10-13-81

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) No. S-218-81 on the 13th day of October, 19 81.

ATTEST:

(SEAL)

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

John Nuckols
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 14th day of October, 19 81, at the hour of 11:30 o'clock A. M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 15th day of Oct. 19 81, at the hour of 10 o'clock A. M., E.S.T.

Winfield C. Moses, Jr.
WINFIELD C. MOSES, JR.
MAYOR

BILL NO. S-81-09-17

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance TO WHOM WAS REFERRED AN
ORDINANCE AUTHORIZING THE CITY OF FORT WAYNE, TO ISSUE ITS "ECONOMIC
DEVELOPMENT FIRST MORTGAGE REVENUE BONDS, SERIES 1981 (PRT CORP. PROJECT)"
AND APPROVING OTHER ACTIONS IN RESPECT THERETO

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE No PASS.

VIVIAN G. SCHMIDT, CHAIRMAN

JAMES S. STIER, VICE CHAIRMAN

MARK E. GIAQUINTA

PAUL M. BURNS

ROY J. SCHOMBURG

Vivian G. Schmidt

James S. Stier

Mark E. Giaquinta

Paul M. Burns

Roy J. Schomburg

10-12-81

CONCURRED IN

DATE _____ CHARLES W. WESTERMAN, CITY CLERK



The City of Fort Wayne

ECONOMIC DEVELOPMENT COMMISSION

September 21, 1981

Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, Indiana 46802

Re: City of Fort Wayne, Indiana
Economic Development First Mortgage
Revenue Bonds, Series 1981 A
(PRT CORP. PROJECT)

Gentlemen and Mrs. Schmidt:

Pursuant to the provisions of I.C. 36-7-12-24, there are enclosed copies of the following:

1. Resolution containing a report on the proposed financing of economic development facilities, which report has been submitted to the President of the Fort Wayne Plan Commission having jurisdiction where the facilities are to be located, together with the minutes of the July 2, 1981 meeting of the Fort Wayne Economic Development Commission evidencing adoption of such resolution.
2. Resolution approving the proposed financing and approving the form and terms of Economic Development Revenue Bonds, Bond Purchase Agreement and Trust Indenture, Loan Agreement, Mortgage and Security Agreement, Collateral Assignment of Lease and Rentals, Lessee's Consent and Agreement to Lease Assignment, Lease to Flashfold Carton, Inc. and Bond forms, together with the minutes of the September 17, 1981 meeting of the Fort Wayne Economic Development Commission evidencing a public hearing on the proposed financing of such economic development facilities and adoption of such resolution.
3. Each of the financing documents referred to in the preceding paragraph.

Common Council of the City of Fort Wayne
September 21, 1981
Page Two

The Fort Wayne Economic Development Commission requests that you consider these enclosures and the proposed financing contemplated thereby, and take such additional action as is necessary to complete such financing.

ECONOMIC DEVELOPMENT COMMISSION

BY: 

Timothy S. Borne
Its Secretary

cc: Ms. Debbie Shell
PRT Corp.

INDUCEMENT RESOLUTION OF
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
ON APPLICATION OF
PRT CORP.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by Indiana Code §18-6-4.5 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, of said facilities, and said facilities to be either sold or leased to the user or developer; and

WHEREAS, PRT CORP. (the "Applicant"), has filed its Application with the Fort Wayne Economic Development Commission (the "Commission"); and

WHEREAS, Applicant has advised the Commission that it proposes that the Issuer issue economic development revenue bonds and that the proceeds thereof (1) either be used by the Issuer to acquire an economic development facility and sell or lease the same to the Applicant; or (2) that such proceeds be loaned to the Applicant for the same purposes; and

WHEREAS, the economic development facility will consist of the acquisition of an existing manufacturing facility (two buildings) located at 1140 Hayden Street, Fort Wayne, Allen County, Indiana (the "Project"); and

WHEREAS, the diversification of industry and increase of job opportunities to be achieved by the completion of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it would appear that the financing of the Project would be of public benefit to the health, safety and general welfare

of the Issuer and its citizens or the citizens of Allen County, Indiana; and

WHEREAS, the acquisition of the facility will not have an adverse competitive effect on any similar facility already constructed or operating in Allen County, Indiana.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION AS FOLLOWS:

1. The Commission hereby finds and determines that the promotion of diversification of economic development and job opportunities in Fort Wayne, Indiana, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer, and that it is in the public interest that the Commission and the Issuer take such action as they lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in and near the Issuer.

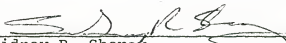
2. The Commission hereby finds and determines that the issuance and sale of economic development revenue bonds of the Issuer in an amount of approximately \$1,600,000 for the acquisition of the Project and the sale or leasing of the Project to the Applicant or the loan of the proceeds of the revenue bonds to the Applicant, will serve the public purposes referred to above, in accordance with the Act.

3. In order to induce the Applicant to proceed with the acquisition of the Project, the Commission hereby finds and determines that (i) it will take of cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing or as it may deem appropriate to said end; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds.

4. All costs of the Project which may be financed under the Act will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will sell or lease the Project to the Applicant or loan the proceeds from the sale of the bonds to the Applicant for the same purposes.

ADOPTED this 2nd day of July, 1981.

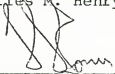
FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION



Sidney R. Sheray



Charles M. Henry



Timothy S. Borne



Phillip A. Howard



Stanley Jeff

REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION CONCERNING THE PROPOSED FINANCING
OF ECONOMIC DEVELOPMENT FACILITIES FOR
PRT Corporation

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 18-6-4.5-16.

Description of Proposed Facilities

This project consists of the acquisition of an existing manufacturing facility and equipment located at 1140 Hayden Street within the City limits of Fort Wayne, Allen County, Indiana.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$1,600,000.00, including costs of issuance of the economic development revenue bonds.

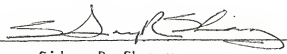
Number of Jobs and Estimated Payroll

It is anticipated there will be approximately 30 new jobs created by this project with an estimated payroll increase of approximately \$300,000.00 annually.

Adverse Competitive Effect

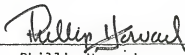
The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

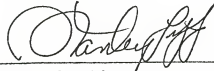
Dated this 2 day of July, 1981.


Sidney R. Sheray


Charles Henry


Timothy Borne


Phillip Howard



MINUTES

FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION

JULY 2, 1981

A meeting of the Fort Wayne Economic Development Commission was held at 11:00 a.m. in Room 128 of the City-County Building, Fort Wayne, Indiana, on July 2, 1981.

Commission members present were: Sidney Sheray, Timothy Borne, Phillip Howard, Charles Henry and Stanley Lipp.

The meeting was called to order by Commission President Sidney Sheray.

Discussion of the Standard Building Partnership was continued to the July 16, 1981 Commission meeting.

The second item of business was the PRT project. Attorney Bill Hopkins spoke for the applicant. Legal notice of the public hearing for PRT was duly published in the Fort Wayne Journal-Gazette on June 27, 1981. The \$1,600,000 project will consist of the acquisition and equipping of an existing manufacturing facility at 1140 Hayden Street. No one spoke in opposition to the project. Mr. Henry motioned that the Commission enter into an inducement resolution. Mr. Howard seconded the motion, which was unanimously approved.

The next item of business was the final approval of the application of Pines of America. Legal notice of the public hearing for Pines of America was duly published in the Fort Wayne Journal-Gazette on June 27, 1981. Attorney Bill Hopkins spoke on behalf of the applicant. He reported Cincinnati Life Insurance Company is purchasing the issue of \$890,000. Interest rate is to be 11½% for a term of 20 years. No one spoke in opposition to the project. Mr. Borne motioned the project be approved, Mr. Howard seconded the motion, which was then unanimously approved.

The application of Helfreuchning Realty Partnership was then discussed. Legal notice of the public hearing for Helfreuchning Realty project was duly published in the Fort Wayne Journal Gazette on June 27, 1981. Attorney Arthur W. Freuchtenicht spoke on behalf of the Partnership. He reported that the \$1,000,000 project would consist of the acquisition, restoration and equipping of the International College Building, 229 W. Berry Street. No one spoke in opposition to the project. Mr. Borne moved the Commission enter into an Inducement Resolution. Mr. Lipp seconded the motion, which was passed unanimously.

Discussion was opened on the application of Realamerica Homes, Inc. Notice of the public hearing on the Realamerica Homes, Inc. project was duly published on June 27, 1981 in the Fort Wayne Journal-Gazette. Attorney Donald Landgraff spoke on behalf of the project. The \$3,750,000 project will consist of the construction of medical offices and support facilities to be located at 2410 Lake Avenue. No one spoke in opposition to the project. Mr. Howard moved that the Commission enter into an inducement resolution. Mr. Borne seconded the motion. The motion then passed unanimously.

Mr. Keller announced that he will no longer be working for the Commission. The Commission expressed its appreciation for Mr. Keller's service and expertise while he served as its attorney.

The Commission also expressed appreciation for the many years of service and dedication of former Commission member Dr. Jack Gren. A letter of appreciation will be sent to Dr. Gren.

The minutes of the Economic Development Commission Meeting held on June 18, 1981 were unanimously approved on motion by Mr. Borne and second by Mr. Sheray.

There being no further business before the Commission, the meeting was adjourned.



Timothy Borne, Secretary



THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

13 July 1981

Debbie Shell
E.D.C. Coordinator
Room #880, City-County Building
One Main Street
Fort Wayne, IN 46802

Dear Debbie:

The property located at 1140 Hayden Street is zoned "M-1" Light Industrial. The "M-1" Light Industrial zoning district permits all uses stated in the zoning ordinance for districts "R-1" Single Family Residential through "M-1".

Sincerely,


Gary F. Baeten
Senior Planner

GFB:pb

RESOLUTION

FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
FORT WAYNE, INDIANA

BE IT RESOLVED BY THE FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION THAT:

Section 1. It finds that the proposed financing of economic development facilities presented to this meeting for the PRT Corp. Project in an amount not to exceed the sum of \$1,600,000.00 for the acquisition of an existing manufacturing facility and equipment located in Fort Wayne, Indiana, and complies with the purposes and provisions of I.C. 36-7-12 (formerly I.C. 18-6-4.5) and will be of benefit to the health and welfare of the City of Fort Wayne and its citizens.

Section 2. The final forms of Bond Purchase Agreement and Trust Indenture, Loan Agreement, Mortgage and Security Agreement, Collateral Assignment of Lease and Rentals, Lessee's Consent and Agreement to Lease Assignment, and Lease to Flashfold Carton, Inc., and Series 1981 Bond, and proposed form of Ordinance for the Common Council presented to this meeting are hereby approved.

Section 3. The proposed economic development facilities will not have an adverse competitive effect on any similar facilities already under construction or in operation in the City of Fort Wayne, Indiana.

Section 4. A copy of this Resolution shall be presented to the Common Council.

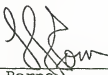
ADOPTED this 17th day of September, 1981.

FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION

BY: 

Sidney R. Sheray
Its President

ATTEST:



Timothy Borne
Its Secretary

MINUTES
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION

September 17, 1981

A meeting of the Fort Wayne Economic Development Commission was held on September 17, 1981 at 11:00 a.m., in Room 128 of the City-County Building.

Commission members present were: Timothy Borne, Charles Henry, Phil Howard and Sid Sheray. Mr. Stan Lipp was absent.

Commission President Sid Sheray called the meeting to order.

The minutes of the September 3, 1981 Economic Development Commission meeting were approved on motion by Mr. Borne and second by Mr. Henry.

The first application discussed was PRT Corporation. Attorney William Hopkins spoke on behalf of the applicant. Legal notice of the public hearing was duly published in the Fort Wayne Journal Gazette and News Sentinel on September 7, 1981. The final forms and documents for the bond issue had been reviewed by Commission Attorney John Wernet. He reported that all papers were in order. Lincoln National Bank and Trust Company will purchase the \$1,600,000 issue at the rate of 70% of the prime interest rate for the first five years and 75% of prime interest rate for the second five years. No one spoke in opposition to the project. Upon motion by Mr. Borne and second by Mr. Howard, the project was unanimously approved.

The next application discussed was Allen County Aggregates, Inc. Attorney Richard Fox spoke on behalf of the project. Legal notice of the public hearing was duly published in the Fort Wayne Journal Gazette and the Fort Wayne News Sentinel on September 7, 1981. The final forms and documents for the bond issue had been reviewed by Commission Attorney John Wernet. He reported that all papers were in order. The issue will be for \$920,000. Indiana Bank and Trust will purchase \$900,000 of the issue at 12% interest for a term of twenty years. A private investor will be purchasing \$20,000 of the issue for a term of five years. Upon motion by Mr. Borne and second by Mr. Howard, the final financing for the project was unanimously approved.

The next item on the agenda was the application of Chi Chi's, Inc. Legal notice of the public hearing was duly published in the Fort Wayne Journal Gazette and News Sentinel on September 7, 1981. Attorney John Walda and Mr. Jeff Anderson spoke on behalf of the applicant. The proposed project will consist of a 10,500 square foot Mexican style restaurant. It will create 175 new jobs, all of which will be hired locally.

Mr. Sheray asked if anyone opposing the project was present. No one spoke in opposition to the project.

The discussion of the project was continued to a reconvened regular meeting on September 21, 1981 at 11:00 a.m., in Room 128 of the City-County Building. The applicant was requested to present letters of commitment from bond purchasers at

Minutes
Page 2
September 17, 1981

that time. Mr. Liop will be notified by both telephone and in writing of the reconvened meeting.

The last item on the agenda was a presentation by Ms. Jane Strother. A research project had been conducted by the Institute of Local Government Finance for the Economic Development Commission. Following her presentation, the members thanked Ms. Strother for her efforts.

There being no further business to come before the Commission, the meeting was adjourned.

Timothy Borne, Secretary

DIGEST SHEET

TITLE OF ORDINANCE A Special Ordinance authorizing the City of Fort Wayne
to issue its Economic Development First Mortgage Revenue Bonds for
PRT Corp. Project in the amount of \$1,600,000.00.
DEPARTMENT REQUESTING ORDINANCE Economic Development Commission

SYNOPSIS OF ORDINANCE Acquisition of an existing manufacturing
facility and equipment located at 1140 Heyden Street, within the
City limits of Fort Wayne, Allen County, Indiana.

EFFECT OF PASSAGE Diversification of industry and an increase of
approximately 30 new job opportunities, with an estimated payroll of
\$300,000.00 annually.

EFFECT OF NON-PASSAGE None of the above.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) None.

ASSIGNED TO COMMITTEE (PRESIDENT) _____

CITY OF FORT WAYNE, INDIANA

AND

PRT CORP.

LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT

Dated as of September 1, 1981

LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT

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LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT

LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT dated as of September 1, 1981, between the City of Fort Wayne, a municipal corporation organized and existing under the laws of the State of Indiana ("Issuer"), and PRT Corp., a corporation organized and existing under the laws of the State of Indiana ("Company"):

WITNESSETH:

WHEREAS, the Indiana Code, Title 36, Article 7, Chapter 12 (the "Act"), has been enacted by the Legislature of Indiana; and

WHEREAS, the Act provides that an issuer may pursuant to the Act issue revenue bonds and loan the proceeds thereof to a developer or user for the purpose of financing certain costs of purchase or construction of facilities, including real and personal property, for diversification of economic development and promotion of job opportunities in or near such issuer, such revenue bonds being payable primarily from the revenues derived from the repayment of such loan; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, by ordinance or ordinances of the legislative body of the Issuer, in furtherance of the purposes of the Act, Issuer proposes to make a loan to Company for the purpose of acquisition and installation of economic development facilities under construction or to be constructed in the City of Fort Wayne, Indiana, consisting of certain economic development facilities described in Exhibit A hereto; and Issuer proposes to provide funds for such loan by the issuance of its revenue bond in the principal amount of \$1,600,000 under a Bond Purchase Agreement and Trust Indenture (as hereinafter defined) and to secure said revenue bond by an assignment and pledge of this Loan Agreement, Mortgage and Security Agreement pursuant to which the loan is made, including the mortgage, lien, and security interest in the Project (as hereinafter defined) and an assignment and pledge of the Company's promissory note issued to evidence and secure the debt created by said loan; and

WHEREAS, Issuer proposes to loan to Company and Company desires to borrow from Issuer funds to defray the cost of financing the Project and certain incidental costs thereto and to execute and deliver its promissory note to secure such loan upon the terms and conditions set forth herein, to the Issuer and to convey a mortgage, lien and security interest in the Project (as hereinafter defined) as security for the loan to it by the Issuer; and

GRANTING CLAUSE

In consideration of the loan (sometimes hereinafter referred to as the "Loan") made or extended by Issuer to Company from the proceeds of the issuance of the Bond and in order to secure the payment of the Loan by Issuer to Company represented and evidenced by the promissory note (the "Note") made payable by Company to the order of the Issuer in the face amount of One Million Six Hundred Thousand Dollars (\$1,600,000), which Note will be assigned and pledged by the Issuer to the Bondholder:

Company mortgages, warrants, and grants a security interest to Issuer in: (a) the real estate located in Fort Wayne, Indiana, more particularly described in Exhibit A attached hereto and by reference made a part hereof (the "Project Site"), together with all buildings, structures and fixtures (including but not limited to all lighting, fixtures and mechanical equipment) now or hereafter erected or placed in or upon said above-described real estate or now or hereafter attached to or used in connection with such real estate to the extent such items may be considered part of the real estate under applicable law, and all tenements, hereditaments, easements, appurtenances and other rights and privileges thereunto attaching and belonging, or in any way appertaining, and the rents, issues and profits thereof, all to the use and benefit of the Issuer, its successors and assigns; and

(b) the machinery, equipment, fixtures, building equipment, and tangible personal property described in Exhibit A hereto (the "Project Equipment"), now or hereafter acquired including but not limited to any and all parts, replacements, substitutions, improvements, accessories, attachments and additions thereto and therefor, and all proceeds thereof, if any.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Except as the context otherwise requires, and unless a term is defined in this Section 1.1 hereof, terms used in this Agreement shall have the meaning ascribed thereto in the Bond Purchase Agreement (as hereinafter defined).

"Act" shall mean the Indiana Code, Title 36, Article 7, Chapter 12.

"Agreement" means this Loan Agreement, Mortgage and Security Agreement and any amendments and supplements hereto.

"Agreement Term" means the duration of this Agreement as specified in Section 10.1 hereof.

"Bond" means the Economic Development First Mortgage Revenue Bond (PRT Corp. Project) to be issued pursuant to the Bond Purchase Agreement and the Ordinance.

"Bond Purchase Agreement" means the Bond Purchase Agreement and Trust Indenture among the Issuer, the Trustee and the Bondholder, dated as of September 1, 1981.

"Bondholder" means the holder of the Bond and shall initially mean Lincoln National Bank and Trust Company of Fort Wayne, a national banking association.

"Building" means the buildings, improvements and structures located on the Project Site.

"Code" means the Internal Revenue Code of 1954, as amended.

"Commission" means the Fort Wayne Economic Development Commission, an economic development commission created by the Issuer.

"Company" means (i) PRT Corp., a corporation organized and existing under the laws of the State of Indiana, and its successors and assigns permitted by the Bondholder, and (ii) any surviving, resulting or transferee corporation as provided in Section 6.2 hereof.

"Costs of the Facilities" with respect to the Project shall be deemed to include those items included in Section 23 of the Act including, but not limited to:

(i) obligations of Issuer or of Company incurred for labor and materials (including obligations payable to Company) in connection with acquisition, construction, installation and equipping of the Project;

(ii) the cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of construction of the Project;

(iii) all costs and expenses of site preparation, engineering services, including the costs of Issuer or Company for test borings, surveys, estimates, plans and specifications and preliminary investigation therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent upon the proper construction of the Project;

(iv) all costs and expense incurred in connection with the issuance of the Bond for the purpose of providing funds for construction of the Project, including without limitation legal expenses and fees, costs of printing and engraving, recording and filing fees;

(v) all costs and expenses which Issuer or Company shall be required to pay, under the terms of any contract or contracts, for the acquisition, construction, installation or equipping of the Project;

(vi) any sums required to reimburse Issuer or Company for advances made by either of them for any of the above items or for any other costs incurred and for work done by either of them which are properly chargeable to the Project; and

(vii) interest on the Bond during the period of construction of the Project.

"Date of Taxability" means the date upon which interest on the Bond becomes subject to federal income taxation to the Bondholder (other than during such period the Bondholder is a substantial user or related person within the meaning of Section 103 of the Code or any similar federal law then in effect).

"Determination of Taxability" means the occurrence of a determination that interest on the Bond is subject to federal income taxes; such a determination shall be deemed to have occurred upon (i) any determination, decision or decree made by the Commissioner or any District Director of Internal Revenue Service, or by any court of competent jurisdiction (including

the United States Tax Court, the United States Court of Claims or a United States District Court having jurisdiction over the matter), (ii) receipt by the Bondholder of a certificate of the Company, or (iii) receipt by Bondholder of an opinion of nationally recognized bond counsel, in any case to the effect that interest payable on the Bond is includable in the gross income of the Bondholder (other than during such periods as the Bondholder is a substantial user or related person within the meaning of Section 103 of the Code or any similar federal law then in effect).

"Event of Default" means any of the events referred to in Section 6.1 hereof.

"Force Majeure" means any cause or event not reasonably within the control of the Company, including, without limitation, the following: acts of God; strikes, lockouts or industrial disturbances; acts of public enemies; restraining orders of any kind by the government of the United States of America or of the State of Indiana or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals.

"Issuer" means the City of Fort Wayne, a municipal corporation organized and existing under the laws of the State of Indiana.

"Lease" means the Lease Agreement dated _____, 1981, between Company and Lessee.

"Lessee" means Flashfold Carton, Inc., an Indiana corporation, and any successor entity under the Lease.

"Loan" means the loan by Issuer to Company of the proceeds from the sale of the Bond.

"Net Proceeds", when used with respect to any insurance proceeds or any condemnation award, means the amount remaining after deducting all expenses (including attorneys' fees) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Note" means the Note referred to in Section 4.1 hereof.

"Permitted Encumbrances" means, as of any particular time, (i) liens for ad valorem taxes and special assessments not then delinquent, (ii) this Agreement, the Bond Purchase Agreement

those encumbrances permitted to exist under this Agreement and the Bond Purchase Agreement, (iii) utility or water tower and associated facilities, access and other easements and rights-of-way, mineral rights, restrictions and exceptions that will not materially interfere with or impair the operations being conducted on the Project Site, (iv) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Project and as do not in the aggregate materially impair the property affected thereby for the purpose of which it was acquired or is held by the Company, (v) mechanics' and materialmen's liens which are not filed or perfected in the manner prescribed by law, as in effect on the date hereof or otherwise, (vi) mechanics' and materialmen's liens filed or perfected in the manner prescribed by law which liens are presently the subject of good faith challenge by the Company, except as provided herein, and (vii) the Lease.

"Project" means the facilities described on Exhibit A hereto, and located on the Project Site, including the Project Equipment.

"Project Equipment" means (i) those items of machinery, equipment and other tangible personal property, now or hereafter acquired, and listed in Exhibit A annexed hereto and made a part hereof, and (ii) any item of machinery, equipment or other tangible personal property acquired in substitution for, as a renewal or replacement of, or a modification or improvement to any Project Equipment; provided that any such item of machinery, equipment or other tangible personal property shall be listed on a schedule added to Exhibit A annexed hereto and made a part hereof, which schedule shall be delivered to the Issuer and the Bondholder.

"Project Site" means the real estate, as described in the Project description, in Fort Wayne, Indiana.

"Taxable Rate" shall mean the rate of interest per annum equal to the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne as such rate changes from date to date, plus 2%.

"Trustee" means the trustee which serves as such under the Bond Purchase Agreement.

(End of Article I)

ARTICLE II
REPRESENTATIONS

Section 2.1. Representations by Issuer. Issuer represents and warrants that:

(a) Issuer is municipal corporation organized and existing under the laws of the State of Indiana. Under the provisions of the Act, Issuer is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. Issuer has been duly authorized to execute and deliver this Agreement. Issuer agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(b) Issuer agrees to lend to Company the proceeds from the issuance of the Bond for the acquiring and installing of the Project, as may be necessary, subject to the consideration of and as evidenced by the Note and this Agreement, to the end that industry and the economy may be diversified and job opportunities promoted, and to secure the Bond by pledging, assigning, and granting a security interest in this Agreement and the Note to the Bondholder.

(c) The Issuer represents that it will assign and pledge in the Note and this Agreement to the Bondholder pursuant to the Bond Purchase Agreement, and that no other assignment, transfer, pledge or grant of the Note or this Agreement shall be made by the Issuer.

Section 2.2. Representations by Company. Company represents and warrants that:

(a) Company is a corporation duly incorporated and in good standing under the laws of the State of Indiana, is not in violation of any provision of its articles of incorporation or its by-laws, has not received notice and has no reasonable grounds to believe that it is in violation of any laws in any manner material to its ability to perform its obligations under this Agreement and the Note, has power to enter into this Agreement and to execute and deliver the Note, and has duly authorized the execution and delivery of this Agreement and the Note by proper corporate action.

(b) The inducement resolution of the Issuer adopted on July 28, 1981, and its indication of interest to issue

its Bond and loan the proceeds to Company for the purposes set forth herein has encouraged Company to acquire and construct the Project in or near the Issuer, and will promote diversification of economic development and create new job opportunities in the area. No part or component of the Project has been acquired or installed by the Company prior to the adoption of the inducement resolution of the Issuer.

(c) All of the proceeds from the Bond will be used for the acquisition and installation of the Project. No part of the proceeds are to be used by the Company, directly or indirectly, as working capital or to finance inventory.

(d) The Project constitutes and will constitute property of a character subject to the allowance for depreciation under Section 167 of the Code.

(e) The Company will not use any of the funds provided by the Issuer hereunder in such manner as to, or take or omit to take any action which would, impair the exemption of interest on the Bond from Federal income taxation.

(f) The Company intends to operate or cause the Project to be operated as an economic development facility until the expiration of this Agreement as provided herein. The Project is of the type authorized and permitted by the Act.

(g) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby including execution and delivery of the Note, nor the provisions of the Bond Purchase Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement or the Note, conflicts with or results in a breach of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which Company is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any liens, charges, or encumbrances whatsoever upon any of the property or assets of Company under the terms of any instrument or agreement other than Permitted Encumbrances.

(h) No consents, approvals, licenses or authorizations of, or filings with, any governmental authority which have not been obtained or made, and no registration pursuant to the Securities Act of 1933, as amended, or the

Trust Indenture Act of 1939, are or is required for the making and performance by it of this Agreement or the Note.

(i) The financial statements of the Company furnished to the Bondholder are complete and correct and fairly present the financial condition and results of operations of the Company for the periods indicated therein, all in conformity with generally accepted accounting principles applied on a consistent basis. Since the date of said financial statements, there has been no material adverse change in the financial condition or the business or operations of the Company taken as a whole.

(j) There is no action, suit or proceeding at law or in equity or by or before any governmental agency or authority or tribunal now pending or, to the knowledge of the Company, threatened against or affecting the Company, or any properties or rights of the Company, which, if adversely determined, would materially affect the validity or prohibit the performance of this Agreement, the Bond, the Bond Purchase Agreement, and the Note, or would materially impair the ability of the Company to carry on its business as now conducted or would materially and adversely affect the financial condition of the Company taken as a whole.

(k) The Agreement and Note constitute legal, valid and binding obligations of the Company enforceable in accordance with its terms. The Bond Purchase Agreement is effective to vest in the Bondholder the right to enforce this Agreement and the Note in accordance with its respective terms, except insofar as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.

(l) Company is the owner in fee simple of the Project Site and the Building and has full power to mortgage the same; Company has good and valid title to the Project Equipment free and clear of any security interests and encumbrances superior to the lien of this Agreement and has full power to grant a security interest in the same; and the Project is free and clear of any and all liens and encumbrances, except Permitted Encumbrances. Company will make any further assurances of title that Bondholder or Issuer may require and will warrant and defend the Project against all lawful claims and demands whatsoever. The Project shall at all times be located on the Project Site, except with the prior written consent of the Issuer and the Bondholder.

(m) The Company will promptly obtain title insurance in the form of an ALTA mortgagee title policy in the face amount of \$500,000, and will furnish a copy of such policy to the Bondholder. Any Net Proceeds payable either to the Company or to the Bondholder under such policy shall, at Bondholder's option, be either (i) used to acquire and construct replacement or substitute property for that to which title has been lost and such property shall be subject to the lien of the Agreement, or (ii) used to redeem the Bond on the earliest possible redemption date.

(n) All action on the part of the Company necessary for the making and performance of this Agreement and the Note and the other transactions on the part of the Company contemplated hereby has been duly and effectively taken. No further consent, authorization or approval of, or filing or registration with, any governmental or regulatory body is required on the part of the Company for the making and performance of this Agreement or the Note, or the transactions contemplated hereby and thereby.

(End of Article II)

ARTICLE III

COMMENCEMENT AND COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

Section 3.1. Agreement to Acquire and/or Construct the Project; No Lien Contract. Company agrees that it will make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be requisite or proper, all for acquiring, constructing, installing and completing the Project, as well as any additional facilities which in the reasonable judgment of Company may be necessary for operation of the Project, all of which acquisitions and installations shall be made in accordance with the Company's specifications and directions.

Company agrees to acquire and install the Project with all reasonable dispatch and to complete the acquisition and installation thereof by _____, 1981.

Prior to the commencement of the construction of the Project, Company agrees to cause any of its subcontractors for the Project to execute and record in the proper offices a building and no lien contract for the construction of that portion of the Project covered by such subcontract.

Company also agrees to hold the Bondholder and the Issuer harmless from any liability or actions resulting from the construction of the Project, including resulting mechanics' liens.

Section 3.2. Ownership and Use of Project Equipment. Issuer and Company agree that title to and ownership of the Project shall remain in and be the sole property of Company in which Issuer shall have no interest, except that the Company shall mortgage and grant a security interest in and pledge the same to the Issuer to secure the payment of the Company's obligations under the Note.

Section 3.3. Agreement to Issue Bond; Application of Bond Proceeds. In order to provide funds to make the Loan, Issuer will issue, sell and deliver the Bond to the Bondholder in the manner and subject to the provisions of the Bond Purchase Agreement. The Issuer hereby directs the Bondholder to deposit the proceeds of the Bond with the Trustee in the Construction Fund and appoints the Trustee as agent to receipt for such deposit. Disbursements will be made from the Construction Fund on a monthly basis pursuant to signed requisitions of the

Company according to the provisions of Section 13 of the Bond Purchase Agreement, which provisions are incorporated herein. The Company covenants that in the aggregate at least ninety percent (90%) of all disbursement from the Construction Fund will be expended on Costs of the Facilities that represent the costs of acquisition or construction of land or property subject to an allowance for depreciation under Section 167 of the Code.

Section 3.4. Establishment of Completion Date. The Company shall furnish to the Bondholder and the Trustee a certificate signed by an authorized representative of Company stating that, (i) installation and/or acquisition of the Project has been completed and any and all labor, services, materials and supplies used in such installation have been paid for, (ii) all other facilities necessary in connection with the Project have been acquired and installed and all costs and expenses incurred in connection therewith have been paid, (iii) the Project Equipment so installed is suitable and sufficient for the efficient operation of the Project for the intended purposes and all costs and expenses incurred in the acquisition and installation of the Project have been paid, and (iv) substantially all (90% or more) of the proceeds of the Bond were used to provide land or property subject to an allowance for depreciation under Section 167 of the Code, which certification shall be required within 60 days after the Project has been fully acquired, constructed and installed. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 3.5. Company Required to Pay in Event Loan Insufficient. In the event the proceeds of the Loan should not be sufficient to pay the Costs of the Facilities in full, Company agrees to complete the acquisition and installation of the Project and to pay that portion of the Costs of the Facilities in excess of the moneys available therefor from the Loan. Issuer and the Bondholder do not make any warranty, either express or implied, that the Loan will be sufficient to pay all of the Costs of the Facilities. Company agrees that if after exhaustion of the Loan Company should pay any portion of the Costs of the Facilities pursuant to the provisions of this Section, it shall not be entitled to any reimbursement therefor from Issuer or from the Bondholder, nor shall it be entitled to any diminution of the amounts payable under Section 4.1 hereof or under the Note.

Section 3.6. Covenants With Respect to Arbitrage. Company hereby warrants and represents to Issuer and Bondholder that the proceeds of the Bond, including moneys deemed to be proceeds of the Bond, will not be used in a manner that will cause the Bond to be an arbitrage bond under Section 103(c) of the Code and the regulations promulgated under that Section.

Company and Issuer, in reliance on Company's covenant herein, covenant, warrant and certify to each other and to and for the benefit of the Bondholder that no use will be made of the proceeds from the issue and sale of the Bond which would cause the Bond to be classified as an arbitrage bond within the meaning of Section 103(c)(2) of the Code and the regulations promulgated thereunder. Issuer and Company each obligates itself throughout the term of the issue of the Bond not to violate the requirements of Section 103(c) of the Code and any regulations promulgated thereunder.

As used in this Section all words and terms shall have the same meanings as such words are given for the purposes of such Section 103(c) and the applicable regulations promulgated by the Department of the Treasury thereunder.

(End of Article III)

ARTICLE IV

PROVISIONS FOR PAYMENT

Section 4.1. Loan Payments and Other Amounts Payable; Notes; and Credits. Concurrently with the sale and delivery by Issuer of the Bond, Company shall execute and deliver to Issuer the Note substantially in the form attached hereto as Exhibit B, which Note shall correspond in principal amount and interest to the Bond. The Issuer directs the Company to make payments on the Note in the Bond Fund.

Company also agrees to pay on or before August 31, 1982, and each August 31 thereafter of each year during the Agreement Term, an amount equal to the reasonable and necessary fees and expenses of Trustee and any paying agent not theretofore provided for and any reasonable and necessary fees and expenses of Issuer, Bondholder and the Commission caused by any default of Company pursuant to Article VIII of this Agreement or the Note or Notes.

In the event Company should fail to make any of the payments required in this Section or in the Note, the item or installment so in default shall continue as an obligation of Company until the amount in default shall have been fully paid; provided however, that nothing herein shall impair or affect the provisions of Article VIII concerning the remedies available upon the occurrence of an Event of Default.

Company covenants, warrants and agrees that it shall make payment of all installments of principal and interest on the Note pursuant to the terms and conditions thereof without any right of set-off, defense, or counterclaim against either the Issuer or the Bondholder, including, but not limited to whether or not the Project is used or useful, or whether any applicable laws, regulations or standards prevent or prohibit the use of the Project.

If any principal of or interest on the Note falls due on a Saturday, Sunday or public holiday at the place of payment thereof, then such due date shall be extended to the next succeeding full business day at such place and the principal and interest payment shall be the same as that required on the original payment date. If any of the prepayment dates set forth in Article IX hereof shall fall on a Saturday, Sunday or public holiday at the place of prepayment thereof, then such prepayment date shall be extended to the next succeeding full business day at such place and the prepayment price shall be the same as that stated for the original prepayment date.

Section 4.2. Payments Pledged. It is understood and agreed that all payments made by Company pursuant to Section 4.1 hereof and the Note are pledged, assigned, and a security interest granted and conveyed therein by the Issuer to Bondholder pursuant to the Bond Purchase Agreement. Company acknowledges and consents to such pledge, assignment, and grant, and hereby agrees that its obligation to make such payments shall be absolute and shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by Issuer of any obligation to Company, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to Company by Issuer. Issuer hereby directs Company and Company hereby agrees to make payments on the Note to the Trustee at its address provided for in Section 10.2 hereof for deposit in the Bond Fund and to pay to the Bondholder at its address provided for in Section 10.2 hereof, all other amounts payable by Company pursuant to Section 4.1 hereof and the Agreement.

Section 4.3. Obligations of Company Unconditional; No Abatement. The obligation of Company to make the payments pursuant to this Agreement and the Note and to perform and observe the other agreements on its part contained herein and therein shall be absolute and unconditional. Until such time as the principal of, premium, if any, and interest on the Bond shall have been fully paid, Company (i) will not suspend or discontinue any payments pursuant to this Agreement or the Note, (ii) will perform and observe all its other agreements contained in this Agreement and the Note and (iii) will not terminate this Agreement or the Note for any cause including, without limiting the generality of the foregoing, failure to complete acquisition, construction and installation of the Project, failure of title to the Project or any part thereof, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Indiana or any political subdivision thereof. Company may, at its own cost and expense, prosecute or defend any action or proceeding or take any other action involving third persons which Company deem reasonably necessary in order to insure the acquisition, installation, construction and completion of the Project or to secure or protect its right of ownership, possession and use hereunder, and in such event Issuer hereby agrees to cooperate fully with Company.

It is understood and agreed that Company shall be obligated to continue to pay the amounts specified herein and in the Note and that there shall be no abatement of any such payments and other charges for any reason.

Section 4.4. Insurance Required. Company at its own expense will insure and maintain insurance on the Project, against loss or damage by fire (with extended coverage), theft, burglary, bodily injury and such other risks, with such companies, in such amounts and with such deductibles as are customarily carried by businesses similar to the Company for facilities of a size and type similar to the Project, but in no event shall such coverage be in an amount whereby the Issuer or the Bondholder will be deemed a co-insurer of all or any part of the Project. Such coverage shall include builder's risk insurance fully protecting the Bondholder during the construction of the Project and Hazard and Liability insurance upon completion of the acquisition and construction of the Project.

Any such insurance policy shall be so written or endorsed as to make losses, if any, payable to Company, Issuer and Bondholder as their respective interests may appear. The Net Proceeds of such insurance shall be applied as provided in Section 5.2 hereof. Each such insurance policy (i) may provide that the policy does not cover the first \$10,000 of loss, with the result that Company is its own insurer to that extent and (ii) shall have attached to and made a part thereof a loss payable endorsement in a form acceptable to the Bondholder.

In the event Company shall fail to maintain the full insurance coverage required by this Agreement, the Issuer or the Bondholder may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same; and all amounts so advanced therefor by Issuer or Bondholder shall become an additional obligation of Company secured by the lien hereof to the one making the advancement, which amounts, together with interest thereon at the Taxable Rate, Company agrees to pay.

Section 4.5. Use of Project. (a) Company agrees and covenants (i) to keep the Project (A) free from any lien, security interest or encumbrance and (B) in good order, condition and repair, (ii) to not waste or destroy the Project or any part thereof, (iii) to not use the Project in violation of any local, state or federal statute, ordinance, law, rule, regulation or regulation having the force of law, and (iv) to notify Bondholder in the event of loss, theft, damage, destruction, levy, seizure, attachment or encumbrance to all or of any part of the Project.

(b) The Company will not assign, sell or offer to sell, exchange, lease, mortgage, pledge, grant a security interest in, transfer or otherwise dispose of or abandon any part of or all of the Project or any interest therein without the prior

written consent of the Bondholder, which consent shall not be unreasonably withheld. In the event of the sale of any of the Project and no such sale is hereby authorized or consented to, the proceeds (including but not limited to cash, accounts receivable or other) thereof shall be held and treated as part of the Project hereunder and shall be transferred and paid over to the Trustee for deposit in the Bond Fund and to be applied immediately to prepayment of the the Note in inverse order of the installments of principal due, unless the Company uses the sale proceeds to purchase substitute property which shall be included in the Project and be subjected to the lien and security interest hereof.

Section 4.6. Taxes, Other Governmental Charges and Utility Charges. Company will cause all of the following to be discharged when the same become due: all taxes and governmental charges of any kind whatsoever that may at any time be assessed or levied against or with respect to the Project or any interest therein (including, without limiting the generality of the foregoing, any taxes levied upon or with respect to the revenues, income or profits of Company from the Project which, if not paid, will become a lien on the Project prior to or on a parity with the lien hereof or a charge on the revenues and receipts therefrom prior to or on a parity with the charge thereon and the pledge or assignment thereof to be created and made in the Bond Purchase Agreement), all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project and assessments and charges made by any governmental body for public improvements that may be secured by lien on the Project; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, such assessments shall not be considered due except by installments.

Company may, at its expense and in its own name and behalf, in good faith, contest any such taxes, assessments and other charges, and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided (i) during such period enforcement of any such contested item shall be effectively stayed, and (ii) the Company post bond sufficient for the payment of the lien.

In the event that Company shall fail to pay any of the foregoing items required by this Section to be paid by Company, the Issuer or the Bondholder may (but shall be under no obligation to) pay the same and any amounts so advanced therefor by the Issuer or the Bondholder shall become an additional obligation of Company secured by the lien hereof to the one making the advancement, which amounts, together with interest thereon

at the Taxable Rate from the date thereof, Company agrees to pay.

Section 4.7. Financing Statements. (a) At the request of the Bondholder or the Issuer, Company shall execute and deliver to the Issuer the Agreement and one or more financing statements pursuant to the Uniform Commercial Code in form and substance satisfactory to the Bondholder or the Issuer and will pay the cost of filing and recording the same in all public offices wherever filing and/or recording is deemed by the Bondholder or the Issuer to be necessary or desirable.

(b) Company (i) appoints the Bondholder and the Issuer as the Company's agents for the purpose of executing on behalf of Company any financing statements which might be necessary or required to carry out this Agreement, and (ii) authorizes the Bondholder or the Issuer to file a financing statement or financing statements without the Company's signature signed only by the Bondholder or the Issuer to reflect the security interest granted to the Issuer hereunder.

(c) The Project is and will be used in Company's business and not for personal, family, household or farming use, and neither the Loan nor any advances made to or for the account of Company by Issuer or the Bondholder were or are to be for the specific purpose of paying wages of employees of Company.

(d) Company shall not use the Project in any manner inconsistent with any of the terms and conditions of (i) this Agreement, (ii) any policy of insurance thereon, or (iii) the Act.

(End of Article IV)

ARTICLE V

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 5.1. Damage, Destruction and Condemnation. Unless Company exercises its option to prepay in full the Loan pursuant to the provisions of Section 9.1 hereof, if prior to full payment of the Bond (i) any portion of the Project is damaged or destroyed, or (ii) title to, or the temporary use of, any portion of the Project or any estate of Company in the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Company shall continue to be obligated and liable for the payment on the due dates of all installments of principal and interest pursuant to the terms and conditions of the Note and this Agreement and to pay the amounts specified herein and in the Note, and the Issuer, the Bondholder, the Trustee and Company will cause the Net Proceeds of any insurance proceeds or condemnation award resulting therefrom to be deposited in a separate escrow account with the Trustee. The Net Proceeds shall be applied by the Trustee in one or more of the following ways as shall be elected by Company in a written notice to the Bondholder and the Trustee:

(a) The prompt repair, restoration, modification or improvement of the Project by Company to the same condition as existed prior to the event causing such damage or destruction or the exercise of such power of eminent domain. Bondholder and Issuer hereby authorize and direct payments to be made from such separate escrow account for such purposes or to reimburse Company for costs paid by it in connection therewith upon receipt of a requisition acceptable to the Bondholder signed by the Company stating with respect to each payment to be made: (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due, (3) the amount to be paid, and (4) that each obligation mentioned therein has been properly incurred, is a proper charge against such escrow account, is unpaid, and has not been the basis of any previous withdrawal. Any moneys held in the separate escrow account under the provisions of this paragraph shall be invested or reinvested at the direction of the Company in Qualified Investments. Any balance of the Net Proceeds remaining after such work has been completed shall be deposited in the Bond Fund and used to prepay the Note at the earliest possible date at the prices set forth in Section 9.1 hereof, or if the Note has been fully paid, any

balance remaining in the escrow account shall be paid to Company.

(b) The Net Proceeds may be deposited in the Bond Fund and used to prepay any portion of the Note then outstanding at the earliest possible date at the prices set forth in Article IX hereof if Company shall furnish to Issuer, the Trustee and Bondholder a certificate of Company acceptable to Issuer and Bondholder stating that (i) the property forming a part of the Project that was damaged or destroyed by such casualty or was taken by such condemnation proceedings is not essential to Company's use or possession of the Project; or (ii) the repair, restoration, modification, or improvement of the Project contemplated by subparagraph (a) of this Section 5.1 is not economically practicable.

Section 5.2. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 5.1(a) hereof, Company will nonetheless complete the work and will pay any cost in excess of the amount of the Net Proceeds held in the special escrow account. Furthermore, Issuer, the Trustee and Bondholder shall not be obligated or liable in any manner whatsoever to loan or advance funds to the Company in excess of the Net Proceeds for the purposes of restoring, repairing, modifying or improving the Project.

(End of Article V)

ARTICLE VI
SPECIAL COVENANTS

Section 6.1. No Warranty of Condition or Suitability by Issuer. Issuer and Bondholder make no warranty, either express or implied, as to the Project or that it will be suitable for Company's purposes or needs.

Section 6.2. Company to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted. The Company agrees that during the Agreement Term it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets, and will not consolidate with or merge into another corporation, or permit one or more other corporations to consolidate with or merge into it without the prior written consent of the Bondholder, which consent may not be unreasonably withheld.

Section 6.3. Right of Access to the Project. Company agrees that the Issuer, the Bondholder and their or either of their duly authorized agents shall have the right at all reasonable times during business hours, subject to Company's safety and security requirements, to enter upon the Project Site and to examine and inspect the Project without interference or prejudice to the Company's operation.

Company further agrees that the Issuer and its duly authorized agents shall have such rights of access to the Project as may be reasonably necessary to cause to be completed the construction and installation provided for in Section 3.1 hereof, and thereafter for the proper maintenance of the Project, in the event of failure by Company to perform its obligations under Section 4.5 hereof.

Section 6.4. Release and Indemnification Covenants. Company releases the Issuer, Trustee and Bondholder from, covenants and agrees that the Issuer, Trustee and Bondholder shall not be liable for, and agrees to indemnify and hold the Issuer, Trustee and Bondholder harmless against, any loss or damage to property or any injury to or death of any person occurring on or about or resulting from any defect in the Project or any other improvements or installations on the Project Site; provided, that the indemnity provided in this sentence shall be effective only to the extent of any loss that may be sustained by the Issuer, Trustee and Bondholder in excess of the Net Proceeds received from any insurance carried with respect to the loss sustained, and provided further, that the indemnity shall not be effective for damages that result from sole

negligence or intentional acts on the part of the Issuer, Trustee and Bondholder. To this end, Company will provide for and insure, in the public liability policies required in Section 4.5 hereof, not only its own liability in respect of the matters there mentioned but also the liability herein assumed, which insurance shall be in addition to the insurance otherwise required in Section 4.5 hereof.

Section 6.5. Tax Exempt Status of Bond; Obligation to Increase Interest.

(a)(1) Company covenants that it will not take, or fail to take, any action which action or failure will cause the interest on the Bond to become subject to federal income taxes pursuant to the provisions of Section 103(b) of the Code so long as the Bond is outstanding under the Bond Purchase Agreement; provided, that Company shall not have violated this covenant if the interest on the Bond becomes taxable to a person who is a substantial user of the Project or a related person pursuant to the provisions of Section 103 of the Code.

(2) The Bond will be issued pursuant to the \$10,000,000 election of Section 103(b) of the Code, and the Regulations promulgated thereunder; and, accordingly, Company shall cooperate with Issuer in filing the election prior to issuance of the Bond, shall accurately set forth all of its Section 103(b)(6)(D) capital expenditures ("Capital Expenditures") for the three-year period prior to issuance of the Bond and shall attach a copy of the election statement to its next succeeding federal income tax return.

(3) Company shall also report all additional Capital Expenditures to the Internal Revenue Service at the time it files its annual tax returns for the three-year period following the issuance of the Bond and shall furnish to the Bondholder a copy of such filings.

(b) Notwithstanding any provision in Section 6.4(a) to the contrary, a failure to maintain the covenants set forth in Section 6.5(a) shall not constitute an event of default hereunder so long as the Company pays the amount set forth in subsection (c) hereof.

(c) The Company hereby covenants, warrants and agrees that in the event of any Determination of Taxability (i)

interest on the unpaid balance of principal of the Note, as at the date of the occurrence of any Determination of Taxability, shall immediately and without any requirement of prior notice to the Company, be increased to the Taxable Rate for the duration of the Agreement Term, and (ii) the Company shall, within 30 days of demand made by either the Issuer or the Bondholder, pay to the Trustee for deposit in the Bond Fund, the difference between (A) the amount of the interest on the Note which would have been received had such interest been computed at the Taxable Rate as at the Date of Taxability to the date the interest on the Note shall be increased in accordance with clause (i) of this Section 6.5(c) and (B) the amount of interest previously received by the Issuer or the Trustee on the Note from the Date of Taxability to the date that interest on the Note shall be increased in accordance with clause (i) of this Section 6.5(c).

Section 6.6. Further Assurances and Corrective Instruments. Issuer and Company agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments and further assurances as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement or the Note.

Section 6.7. Annual Statement. Company agrees to furnish the Bondholder (a) annually within ninety (90) days after the close of the Company's fiscal year the Company's balance sheet and income statement certified by its regular independent certified public accountants; and (b) within sixty (60) days after the close of each fiscal quarter of the Company the Company's balance sheet and income statement prepared by the Company as at the end of each fiscal quarter.

Section 6.8. Lease. The Company shall assign the Lease to the Trustee as collateral for the Bond. The Company agrees to maintain the Lease in full force and effect for so long as the Bond is outstanding.

(End of Article VI)

ARTICLE VII

ASSIGNMENT, REDEMPTION, MORTGAGING, LEASING AND SELLING

Section 7.1. Assignment. This Agreement and the Note may not be assigned by Company without the prior written consent of the Bondholder, which consent shall not be unreasonably withheld.

Section 7.2. Assignment and Pledge of Interest in this Agreement by Issuer. Any assignment, set-over, transfer, grant or pledge by Issuer to the Bondholder of any interest in this Agreement or the Note, or any moneys receivable under this Agreement or the Note shall be subject to this Agreement and the Note.

Section 7.3. References to Bond Ineffective After Bond Paid. Upon payment in full of the Bond, all references in this Agreement to the Bond and the Issuer shall be ineffective and neither Issuer nor the Bondholder shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested.

Section 7.4. Security in Project. Company has mortgaged the Project, including granting a security interest in the Project Equipment to the Issuer, and the Issuer shall assign its interest in and pledge any moneys receivable under this Agreement and the Note to the Bondholder pursuant to the Bond Purchase Agreement as security for payment of the principal of, premium, if any, and interest on the Bond, but each such grant, security interest, assignment or pledge shall be subject and subordinate to this Agreement.

Section 7.5. Installation of Company's Own Machinery and Equipment. Company may from time to time, in its sole discretion and at its own expense, install additional machinery and equipment on the Project Site.

All machinery and equipment so installed by Company (i) shall remain the sole property of Company in which neither the Issuer nor the Bondholder shall have any interest; (ii) may be modified or removed at any time while Company is not in default hereunder; and (iii) shall not be subject to the lien hereof. Company shall furnish to the Issuer and the Bondholder a schedule listing the complete description including but not limited to serial numbers of all items of machinery and equipment on the Project Site belonging to the Company.

Company shall tag or otherwise suitably identify all tangible personal property constituting the sole property of

Company and not constituting a part of the Project Equipment, so as to indicate the lack of any interest of Issuer and the Bondholder therein.

Section 7.6. Restrictions on Sale of Project. Company agrees that, except as set forth in Sections 7.4 and 7.7 hereof or other provisions of this Agreement or the Bond Purchase Agreement, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project during the Agreement Term.

Section 7.7. Lease of Project. The Company shall lease the Project to the Lessee.

(End of Article VII)

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. The occurrence of any of the following events shall constitute an Event of Default pursuant to the terms and conditions of this Agreement or the Note and the terms "Event of Default" and "default" shall mean whenever they are used in this Agreement and the Note anyone or more of the following events.

(a) Failure by the Company to make any of the payments required pursuant to the terms and conditions of the Note including but not limited to payments of installments of principal and interest, at the time or times specified therein and the continuation of said failure for a period of one day.

(b) A non-curable default under the Lease by either the Company or the Lessee.

(c) Any warranty, representation or statement made herein or furnished to the Bondholder and/or the Issuer pursuant to this Agreement by or on behalf of Company proves to have been false or misleading in any material respect when made or furnished;

(d) There shall be convened a meeting of creditors of Company;

(e) Company shall (i) discontinue or suspend its business, (ii) make a general assignment for the benefit of creditors, (iii) apply for or consent to the appointment of a receiver, trustee or liquidator of Company of all or a substantial part of Company's assets, (iv) be adjudicated a bankrupt or insolvent, (v) file any petition or have or otherwise suffer the filing of any petition against Company, under any chapter of the Bankruptcy Act, (vi) file a petition or answer reorganization or an arrangement with creditors or seek to take advantage of any other law (whether Federal or State) relating to relief of debtors, or admit (by answer, default or otherwise) the material allegations of a petition filed by or against Company in bankruptcy (whether pursuant to Chapter XI or any other provision or Chapter of the Bankruptcy Act), reorganization, arrangement, insolvency or other proceedings (whether Federal or State) relating to relief of debtors, readjustment of indebtedness, reorganizations, compositions or extensions, (vii) suffer or permit to continue unstayed and

in effect any judgment, decree or order, entered by a Court of competent jurisdiction, which approves a petition seeking reorganization of Company or appoints a receiver, trustee or liquidator of Company of all or a substantial part of Company's assets, (viii) insolvency (however evidenced) or the commission of any act of insolvency, (ix) suffer or otherwise permit the appointment of a receiver of, or the issuance or making of a writ or order of attachment or garnishment against any of the property or assets of, or the making of an application, or the commencement of any proceeding, for an order directing the Issuer or Bondholder to pay over any of the property or assets of Company and (x) take or omit to take any action to effect any of the foregoing;

(f) Failure by Company to observe and perform any covenant, condition or agreement in this Agreement or obligation to prepay the Note on its part to be observed or performed, other than as referred to in Section 8.1(a)-(e), for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to Company by Issuer or the Bondholder, unless Issuer and the Bondholder shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Issuer and the Bondholder will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by Company within the applicable period and diligently pursued until the default is corrected.

Section 8.2. Remedies on Default. Whenever any Event of Default referred to in Section 8.1 hereof shall have happened and be continuing, the Issuer or the Bondholder may take any one or more of the following remedial steps:

(a) The Issuer or the Bondholder may declare the Note immediately due and payable without further presentment, demand, protest, notice of protest or other notice of dishonor of any kind, all of which are hereby expressly waived by the Company.

(b) The Issuer or the Bondholder may take whatever action at law or in equity as may be available to a secured party under Indiana law including the following:

(i) proceed to foreclose the lien of this Agreement without relief from valuation and appraisal laws, (ii) take possession of the Project and collect rents, issues

and projects thereof, accrued and to accrue, (iii) the appointment of a receiver in a court of competent jurisdiction, (iv) at any time or times, with or without judicial process and the assistance of others, enter upon any premises on which any of the Project Equipment may be located and, without interference by Company, take possession of the Project Equipment, dispose of any part or all of the Project Equipment on any premises of Company and require Company and Company shall thereupon be obligated and liable to the Issuer or the Bondholder to assemble the Project Equipment and make it available to the Issuer or the Bondholder at a place to be designated by the Issuer or the Bondholder which is reasonably convenient to both parties. Unless the Project Equipment is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Issuer or the Bondholder will give Company reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Company shown in this Agreement, at least ten days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall include but not be limited to the Issuer's or the Bondholder's reasonable attorneys' fees and other legal costs and expenses;

(c) A division of Project Equipment into portions divided according to the location of such Project Equipment and the public sale or private sale at a negotiated price of such Project Equipment by one or more portions to one or more purchasers without assessing a purchase price to each item of such Project Equipment contained in each portion sold, or, in the event that more than one portion is sold to a single purchaser, without assessing a purchase price to each portion so sold to a single purchaser; and

(d) The public or private sale at a negotiated price of Project Equipment as a whole to one purchaser without regard to the location of Project Equipment, without division of such Project Equipment into parts or portions, and without assessing the purchase price to the individual items constituting such Project Equipment.

Any amounts collected pursuant to action taken under this Section 8.2 shall be applied to the payment of the Bond or, if the Bond has been fully paid, shall be paid to Company.

Without suggesting that other procedures may not also be commercially reasonable or that any of the following procedures is mandatory in any particular case, it is agreed that the actions set forth in subparagraphs (a)-(d) are all commercially reasonable methods of disposing of the Project should the Issuer or the Bondholder decide to follow any one of them as to all or a part of the Project.

Section 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to Issuer or the Bondholder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or the Note or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Issuer or the Bondholder to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. In the event Company should default under any of the provisions of this Agreement or the Note and Issuer and/or the Bondholder should employ attorneys or incur other expenses for the collection of any payments or the enforcement of performance or observance of any obligation or agreement on the part of Company herein or in the Note contained, Company agrees that it will on demand therefor pay to Issuer and the Bondholder the reasonable fee of such attorneys and such other expenses so incurred by Issuer and the Bondholder.

Section 8.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement or in the Note should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder or thereunder.

(End of Article VIII)

ARTICLE IX

PREPAYMENT OF LOAN

Section 9.1. Option to Prepay the Loan. So long as Company is not in default under this Agreement, Company shall have and is hereby granted the option to prepay the amounts payable under this Agreement and the Note for the purpose of redeeming the Bond, including the principal of, premium, if any, and interest on the Note, in whole or in part, on any interest payment date at 100% of the principal amount thereof plus accrued interest to the redemption date.

To exercise such option Company shall give written notice to Issuer and the Bondholder which shall specify therein the date of closing of the prepayment, which date shall be not less than 10 days nor more than 20 days from the date the notice is mailed.

Section 9.2. Obligation to Prepay the Loan. Company shall be obligated to prepay the amounts payable under the Agreement and the Note for the purposes of redeeming the Bond, but only from the excess proceeds of the Bond, within 30 days after notice from the Bondholder or the Issuer of excess proceeds being available therefor in the Construction Fund, all as provided in Section 13 of the Bond Purchase Agreement.

(End of Article IX)

ARTICLE X

MISCELLANEOUS

Section 10.1. Agreement Term. This Agreement shall remain in full force and effect from the date hereof until all the principal, premium, if any, and interest on the Bond have been paid.

Section 10.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows: if to Issuer, Attention: Clerk, City Building, Fort Wayne, Indiana 46806; if to Company, Attention: _____, Fort Wayne, Indiana _____, and also to Gallucci & Hopkins, 6th Floor, Lincoln Bank Tower, Fort Wayne, Indiana 46802; if to Bondholder, 116 East Berry Street, Fort Wayne, Indiana 46802 and if to the Trustee, Attention: Trust Department, 116 East Berry Street, Fort Wayne, Indiana 46802. A duplicate copy of each notice, certificate or other communication given hereunder by either Issuer or Company to the other shall also be given to the Bondholder and the Trustee. Issuer, Company, Trustee and the Bondholder may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 10.3. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Issuer, Company, the Bondholder and their respective successors and assigns.

Section 10.4. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.5. Amendments, Changes and Modifications. Subsequent to the issuance of Bond and prior to their payment in full, neither this Agreement nor the Note may be effectively amended, changed, modified, altered or terminated without the written consent of the Bondholder, which consent is not to be unreasonably withheld.

Section 10.6. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.7. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana.

Section 10.8. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Agreement.

(End of Article X)

IN WITNESS WHEREOF, Issuer has caused this Agreement to be executed in its name and its seal to be hereunto affixed and attested by its duly authorized Mayor and Clerk, and Company has caused this Agreement to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written.

CITY OF FORT WAYNE, INDIANA

By Winfield Moses, Jr., Mayor

(SEAL)

Attest:

Charles W. Westerman, Clerk

PRT CORP.

By _____
_____, _____

(SEAL)

Attest:

EXHIBIT A

THE ECONOMIC DEVELOPMENT FACILITIES

EXHIBIT B

PRT CORP.

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, PRT Corp., a corporation organized and existing under the laws of the State of Indiana ("Company"), hereby promises to pay to the order of the City of Fort Wayne, Indiana ("Issuer"), on or before 11 o'clock a.m. (prevailing Issuer time) the principal sum of \$1,600,000 with interest in installments as provided below: (a) Principal is payable on November 20, 1981, and on the twentieth day of each month thereafter to and including October 20, 1991, in the amount of a sum which will equal the principal which will become due on the Bond (as hereinafter defined) on the next succeeding day; (b) Interest is payable on the twentieth day of each month during the Agreement Term, commencing after the day hereof, in the amount of a sum which will equal the interest which will become due on the Bond on the next succeeding day.

Payments of both principal and interest are to be endorsed to the Lincoln National Bank and Trust Company of Fort Wayne (the "Bondholder"), and are to be made directly to Lincoln National Bank and Trust Company of Fort Wayne, as Trustee (the "Trustee") for deposit in the Bond Fund. Such endorsement is to be made as security for the payment of the bond designated "City of Fort Wayne Economic Development First Mortgage Revenue Bond (PRT Corp. Project)" (the "Bond") issued pursuant to the Bond Purchase Agreement and Trust Indenture, among the Issuer, Bondholder and Trustee, dated as of September 1, 1981 (the "Bond Purchase Agreement"). All of the terms, conditions and provisions of the Bond Purchase Agreement are, by this reference thereto, incorporated herein as a part of this Note.

This Note is issued pursuant to the Loan Agreement, Mortgage and Security Agreement, dated as of September 1, 1981, between Issuer and Company (the "Loan Agreement") and is entitled to the benefits, and is subject to the conditions thereof. The obligations of Company to make the payments required hereunder shall be absolute and unconditional without any defense or right of set-off, counterclaim or recoupment by reason of any default by Issuer under the Loan Agreement or under any other agreement between Company and Issuer or out of any indebtedness or liability at any time owing to the Company by the Issuer or for any other reason.

This Note is subject to prepayment under the terms and conditions, and in the amounts, provided in Article IX of the Loan Agreement which prepayments shall be noted hereon. Interest on this Note may be increased as provided in the Loan Agreement.

If an "event of default" occurs under Section 8.1 of the Loan Agreement, the principal of this Note may be declared due and payable in the manner and to the effect provided in Article VIII of the Loan Agreement.

No recourse shall be had for the payment of the principal or prepayment price of, or interest on this Note, or for any claim based hereon or on the Loan Agreement, against any officer, director or stockholder, past, present or future, of Company as such, either directly or through Company, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

The Company hereby unconditionally waives diligence, presentment, protest, notice of dishonor and notice of default of the payment of any amount at any time payable to the Issuer under or in connection with this Note. All amounts payable hereunder are payable without relief from valuation and appraisal laws.

In any case where the date of payment hereunder shall be in the City of Fort Wayne, Indiana, a Saturday, Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then such payment shall be made on the next preceding business day with the same force and effect as if made on the date of payment hereunder.

All terms used in this Note which are defined in the Loan Agreement shall have the meanings assigned to them in the Loan Agreement.

IN WITNESS WHEREOF, Company has caused this Note to be duly
executed, attested and delivered as of the _____ day of
_____, 1981.

PRT CORP.

By _____
_____, _____

(SEAL)

Attest:

_____, _____

Prepayments

Date

Amount

Installments of
Principal Eliminated
or Reduced

ENDORSEMENT

Pay to the order of Lincoln National Bank and Trust Company of Fort Wayne pursuant to the terms and conditions of the Bond Purchase Agreement dated as of September 1, 1981 among the City of Fort Wayne, Lincoln National Bank and Trust Company of Fort Wayne, as Trustee, and Lincoln National Bank and Trust Company of Fort Wayne, without recourse against the City of Fort Wayne.

CITY OF FORT WAYNE

By _____
Winfield Moses, Jr., Mayor

(Seal)

Attest:

Charles W. Westerman, Clerk

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a notary public in and for said county and state, personally appeared Winfield Moses, Jr. and Charles W. Westerman, personally known to me to be the Mayor and Clerk, respectively, of the City of Fort Wayne, State of Indiana, and acknowledged the execution of the foregoing Loan Agreement, Mortgage and Security Agreement for and on behalf of the City of Fort Wayne.

WITNESS my hand and notarial seal this _____ day of _____, 1981

(Written Signature)

(Printed Signature)

Notary Public

(SEAL)

My commission expires:

My county of residence is:

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a notary public in and for said county and state, personally appeared _____ and _____, personally known to me to be the _____ and _____, respectively, of PRT Corp., and acknowledged the execution of the foregoing Loan Agreement, Mortgage and Security Agreement for and on behalf of said Company.

WITNESS my hand and notarial seal this _____ day of _____, 1981

(Written Signature)

(Printed Signature)

Notary Public

(SEAL)

My commission expires:

My county of residence is:

BOND PURCHASE AGREEMENT AND TRUST INDENTURE

AMONG

CITY OF FORT WAYNE, INDIANA

LINCOLN NATIONAL BANK AND TRUST COMPANY OF FORT WAYNE,
AS TRUSTEE

AND

LINCOLN NATIONAL BANK AND TRUST COMPANY OF FORT WAYNE

DATED AS OF SEPTEMBER 1, 1981

BOND PURCHASE AGREEMENT AND TRUST INDENTURE

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BOND PURCHASE AGREEMENT AND TRUST INDENTURE (herein called the "Bond Purchase Agreement") dated as of September 1, 1981, between:

THE CITY OF FORT WAYNE, INDIANA, a municipal corporation organized and existing under the laws of the State of Indiana, (herein called the "Issuer");

LINCOLN NATIONAL BANK AND TRUST COMPANY OF FORT WAYNE, a national banking association (herein called the "Bondholder"); and

LINCOLN NATIONAL BANK AND TRUST COMPANY OF FORT WAYNE, AS TRUSTEE, a national banking association (herein called the "Trustee").

In consideration of the Bondholder's purchase of the Bond (as hereinafter defined) and the acceptance by the Trustee of the trusts hereby created and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure payment of all amounts payable under the Bond and this Bond Purchase Agreement, Issuer hereby grants, assigns, transfers and pledges and grants and conveys a security interest in the Loan Agreement, Mortgage and Security Agreement (herein called the "Agreement"), dated as of September 1, 1981, between Issuer and PRT Corp. (herein called the "Company") (including the lien and security interest in the Project (as defined in the Agreement) granted therein by the Company to the Issuer), the Note, the Construction Fund, and the Bond Fund (each as hereinafter defined), to the Bondholder and has endorsed to the Bondholder the Note executed and delivered to the Issuer by the Company, including all extensions and renewals of the term thereof, if any, together with all right, title and interest of Issuer therein, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any of the income, revenues, issues and profits and other sums of money payable or receivable thereunder, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which Issuer is or may become entitled to do under the Agreement or the Note; provided, that the assignment and pledge made by this clause shall not impair or diminish any obligation of Issuer under the Agreement or the Bond Purchase Agreement and the Bondholder shall not be subject to or liable for any obligation or liability of the Issuer under the Agreement.

Section 1. CERTAIN DEFINITIONS. As used in this Bond Purchase Agreement, the terms defined in the Agreement shall

have the same meaning herein as ascribed thereto in the Agreement.

"Authorized Investments" means (i) bonds or other obligations of the United States or of subsidiary corporations of the United States government fully guaranteed by the government of the United States; (ii) obligations issued by the Federal Land Bank, the Federal Home Loan Bank, Federal Intermediate Credit Bank, or Central Bank for Cooperatives; (iii) certificates of deposit of national or state banks which have deposits insured by the Federal Deposit Insurance Corporation, including the Bondholder, and certificates of deposit of federal savings and loan associations and state building and loan associations which have deposits insured by the Federal Savings and Loan Insurance Corporation; and (iv) repurchase agreements secured by the securities described in clauses (i) and (ii) hereof.

"Bond" means the City of Fort Wayne, Indiana, Economic Development First Mortgage Revenue Bond (PRT Corp. Project), substantially in the form of Schedule A, annexed hereto and made part hereof, in the amount of \$1,600,000.

"Bond Fund" means the fund established by the Issuer with the Trustee in Section 13(a) of this Bond Purchase Agreement.

"Company" means PRT Corp., a corporation organized and existing under the laws of the State of Indiana, and any successor entity under the Agreement.

"Construction Fund" means the fund established by the Issuer with the Trustee in Section 13(b) of this Bond Purchase Agreement.


"Ordinance" means the ordinance of the governing body of the Issuer adopted on _____, 1981, by which the Issuer, inter alia, is authorized to execute and deliver this Bond Purchase Agreement and the Agreement, and is authorized to issue, execute and deliver the Bond under this Bond Purchase Agreement.


Section 2. REPRESENTATIONS. The Issuer represents, covenants and warrants to the Bondholder that:

1. The Issuer confirms its representations, covenants and warranties set forth in Section 2.1 of the Agreement.


2. The Issuer has the power and lawful authority: to execute and deliver this Bond Purchase Agreement and the Agreement; to issue the Bond provided for by this Bond Purchase

Agreement and to lend the proceeds of the Bond to the Company for the purpose of financing the Project pursuant to the terms and conditions of the Agreement to the end that the proceeds of the Bond shall be applied to the Cost of the Facilities; to assign, transfer, pledge and grant and convey a security interest in and to the revenues derived and to be derived by the Issuer from the Agreement and the Note for the purpose of providing for the prompt and punctual payment of installments of principal and interest on the Bond and premium, if any, thereon and for the purpose of securing the payment of the installments of principal and interest on the Bond by means of a pledge, transfer, assignment, and the grant and conveyance of a security interest in and to the Agreement and the Note and to perform and observe all of the terms and conditions of this Bond Purchase Agreement and the Agreement on the part of the Issuer to be performed and observed pursuant thereto.

3. By the Ordinance the Issuer has been duly authorized to execute and deliver this Bond Purchase Agreement and the Agreement, and to issue the Bond. 

4. There is no action, suit, proceeding or investigation at law or in equity before or by any court, either state or federal, or public board or body pending or, to the knowledge of the Issuer, threatened, calling into question the creation, organization or existence of the Issuer, the validity of this Bond Purchase Agreement, the Bond, or the Agreement, or the authority of the Issuer to make or perform this Bond Purchase Agreement and the Agreement, or to issue or perform its obligations under the Bond. 

5. The making and performance of this Bond Purchase Agreement, the Agreement, and the Bond and the transactions contemplated hereby and thereby will not violate any provision of any law or regulation, or of any decree, writ, order or injunction, or of the by-laws or other organic documents of the Issuer, and will not contravene the provisions of, or constitute a default under, or result in the creation of a lien, charge or encumbrance under, any agreement, indenture, bond ordinance or other instrument, other than the Agreement and this Bond Purchase Agreement, to which the Issuer is a party or by which the Issuer or any of its assets is bound.

6. All action on the part of the Issuer necessary for the making and performance of this Bond Purchase Agreement, the Agreement, and the Bond and the other transactions on the part of the Issuer contemplated hereby has been duly and effectively taken. No other consent, authorization or approval of, or filing or registration with, any governmental or regulatory 

body is required on the part of the Issuer for the making and performance of this Bond Purchase Agreement, the Agreement or the Bond, or the transactions contemplated hereby and thereby.

8. All requirements and conditions specified in the Act, the by-laws or other organic documents of the Issuer and all other laws and regulations applicable to the adoption of the Ordinance, the execution and delivery of this Bond Purchase Agreement and the Agreement and the execution, delivery and issuance of the Bonds have been fulfilled.

9. This Bond Purchase Agreement, the Agreement, and the Bond constitute valid and binding obligations of the Issuer enforceable in accordance with their respective terms under the laws of the State of Indiana.

Section 3. PURCHASE OF BONDS.

Description of the Bond. The Issuer does hereby sell to Bondholder and the Bondholder does hereby purchase the Bond from the Issuer. The Issuer shall lend the proceeds thereof to the Company by directing the Bondholder to deposit such proceeds into the Construction Fund. The Issuer directs the Trustee to acknowledge on behalf of the Issuer the deposit of the proceeds thereof into the Construction Fund and directs the Trustee to disburse such proceeds for the Costs of the Facilities all as provided in Section 13(b) hereof. The Bond shall be dated the date of issuance thereof, shall be in the principal amount of \$1,600,000; shall be payable as to principal as follows: (i) on November 20, 1981, and on the twentieth day of each month thereafter to and including September 20, 1991, the amount of \$13,333.33 for each monthly payment, and (ii) on October 20, 1991, a final payment in the amount of the entire principal amount remaining unpaid on the Bond; and shall bear interest on the unpaid balance of principal thereof payable on the twentieth day of each month, commencing on the twentieth day of the first month after the delivery of the Bond, to and including September 20, 1986, at the rate per annum of 70% of the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne at its principal office, and from October 20, 1986, through October 20, 1991, at the rate per annum of 75% of the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne, at its principal office, as such rates change from date to date, except as provided in the event of a Determination of Taxability.

The Bond issued hereunder shall be in a form substantially similar to the form attached hereto as Schedule A, with such

changes as are deemed necessary by the Company, the Issuer, and the Bondholder.

Section 4. REDEMPTION AND INCREASED INTEREST. (a) The Bond shall be redeemed upon the like prepayment of the Note as follows:

(i) Optional. The Issuer shall redeem the Bond upon the direction of the Company in whole or in part on any interest payment date at 100% of the principal amount thereof plus accrued interest to the redemption date, upon prepayment of the Note pursuant to Section 9.1 of the Agreement.

(ii) Required. The Issuer shall redeem the Bond and cause the Company to prepay the Note from the excess proceeds of the Bond held in the Construction Fund in accordance with the provisions of Section 13(b) hereof and Section 9.2 of the Agreement, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

(iii) Required. If funds are deposited in the Bond Fund for redemption of the Bond pursuant to Sections 2.2 (m), 4.5, 5.2 or 9.2 of the Agreement, the Bond shall be subject to redemption by Issuer on any interest payment date, in whole or in part at 100% of the principal amount thereof plus accrued interest to the redemption date.

Upon each redemption, interest on the principal amount prepaid, accrued to the redemption date, shall be paid on such redemption date, and each partial redemption shall be applied to the installments of principal of the Bond in the inverse order of their payment. Notice of such redemption must be given by the Company to the Issuer, the Trustee and the Bondholder not less than 10 nor more than 20 days prior to the redemption date.

b. In the event of an occurrence of a Determination of Taxability, interest on the Bond shall increase to the Taxable Rate in the manner set forth in Section 6.5(c) of the Agreement and the Issuer shall be obligated to pay to the Bondholder the payments received from the Company or deposited in the Bond Fund under Section 6.5(c) of the Agreement.

Section 5. PAYMENTS, ETC. All payments of principal, interest and other charges under this Bond Purchase Agreement or the Bond shall be made in lawful money of the United States of America, payable at the principal office of the Trustee in immediately available funds and shall be made no later than 11:00 a.m. Issuer time on the date due. Interest on the Bond

shall be calculated on the basis of a year of 360 days consisting of twelve 30 day months. If any principal of or interest on the Bond falls due on a Saturday, Sunday or public holiday at the place of payment thereof, then such payment shall be made on the next succeeding full business day at such place, but no interest shall be payable in respect of such extension. If any of the redemption dates set forth in Section 4 hereof fall on a Saturday, Sunday or public holiday at the place of redemption thereof, then such redemption payment shall be made on the next succeeding full business day at such place, but the redemption price shall be the same as that stated for original redemption date. Payments made by the Company pursuant to Section 4.1 of the Agreement shall be credited against the payment requirements of this Section.

Section 6. CONDITIONS. The obligations of the Issuer to issue the Bond and of the Bondholder to purchase the Bond under this Bond Purchase Agreement is subject to receipt by the Bondholder of the following in a manner and in form and substance satisfactory to the Bondholder:

(a) The fully executed copies of the Agreement and this Bond Purchase Agreement, in form and substance satisfactory to the Bondholder; (b) certified copies of the Ordinance and of the action taken by the governing body of the Issuer and the Commission to approve and authorize the Agreement, this Bond Purchase Agreement and the Bond; (c) the executed Bond and the Note endorsed to the Bondholder by the Issuer; and (d) opinions of counsel to the Issuer and the Company in a form and substance satisfactory to the Bondholder, and (e) an opinion of Ice Miller Donadio & Ryan in a form and substance satisfactory to the Bondholder.

Section 7. LIMITED OBLIGATION; PLEDGE; SATISFACTION.

a. Limited Obligation. The Bond, together with interest thereon, shall constitute limited obligations of the Issuer, and the principal of, premium, if any, and interest on the Bond shall be payable solely from the revenues and payments derived and to be derived by the Issuer from the Agreement and the Note and secured only by a pledge, transfer, assignment and the grant and conveyance of a security interest in the Agreement and the Note. Notwithstanding anything in this Section 7(a) to the contrary, neither the Bond nor any of its agreements or obligations shall be construed within the meaning of any constitutional or statutory provision of Indiana to be or considered an indebtedness of the Issuer, the State of Indiana or any other municipality, political subdivision or county whatsoever.

b. Satisfaction of Debt. Except for the payment of the Bondholder's expenses, all payments made by or on behalf of the Company to the Bondholder, or to its successors or assigns, or upon its or their order for the account of the Issuer, pursuant to the Agreement shall, to the extent of the sum or sums so paid, satisfy and discharge the obligation of the Issuer for moneys payable upon the Bond, provided that the Bondholder in its sole discretion may apply such sum or sums first to payments of interest and then to payments of principal then due and payable upon the Bond.

Section 8. COVENANTS OF THE ISSUER. The Issuer hereby agrees with the Bondholder that, so long as the Bond remains outstanding:

a. The Issuer shall take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under this Bond Purchase Agreement, the Agreement or the Bond and in order to provide for and to assure payment of the Bond and any premium or interest thereon when due.

b. The Issuer shall not create, assume or suffer to exist any assignment, mortgage, pledge, security interest or lien, encumbrance or charge on any revenues or assets pledged and assigned to the Issuer under the Agreement and Note, including the lien and security interest therein granted in the Project, excluding, however, the Agreement and this Bond Purchase Agreement.

c. The Issuer shall not alter, amend or repeal the Ordinance, or, without the prior written consent of the Bondholder, agree to any alteration or amendment of the Agreement, or take any action impairing any authority, right or benefit given or conferred by the Ordinance, the Agreement or this Bond Purchase Agreement.

d. The Issuer shall pay or cause to be paid the principal of, premium, if any, and the interest on the Bond as the same become due as provided by the terms and conditions thereof, by declaration or otherwise, but solely from the revenues and payments referred to in Section 7.

e. Notwithstanding any other provision of this Bond Purchase Agreement, the Issuer warrants, represents and covenants that (i) it will make no use of the proceeds of the Bond or of any of its funds or of the Bond which will cause the Bond to be an "arbitrage bond" within the meaning of Section 103(c) of the

Code or Treasury Department Regulations promulgated thereunder as at the time in effect, and (ii) so long as the Bond is outstanding, it will comply with the requirements of said Section 103(c) and the applicable Treasury Department Regulations promulgated thereunder.

(f) At the request of the Bondholder, Issuer shall execute and deliver to the Bondholder one or more financing statements pursuant to the Uniform Commercial Code in form and substance satisfactory to the Bondholder.

Section 9. DEFAULTS. The occurrence of any one or more of the following events shall constitute an event of default pursuant to the terms and conditions of this Bond Purchase Agreement:

(a) Default in the payment when due of any installment of principal, premium, if any, or interest on the Bond or default in the payment of any other amount payable to the Bondholder hereunder; or

(b) Any event of default specified in the Agreement shall have occurred and be continuing; or

(c) ~~ix~~ The Issuer shall default in the due performance or observance of any covenant or agreement on its part contained in this Bond Purchase Agreement, the Agreement or any endorsement of the Note or any representation made herein or therein shall prove to have been untrue when made and fail to remedy such default within 30 days after notice thereof from the Bondholder to the Issuer and the Company unless the nature of the default is such that it cannot be remedied within the thirty-day period and the Bondholder agrees in writing to an extension of time and the Issuer and the Company agree in writing to an extension of time and the Issuer or the Company institute corrective action within the period agreed upon and diligently pursue such action until the default is remedied. ?

Section 10. REMEDIES. Upon the occurrence of any event or events of default as specified above, and at any time thereafter, the Bondholder shall have the right upon notice in writing to the Issuer and the Company (i) to exercise all of the rights and remedies of the Issuer pursuant to the terms and conditions of the Agreement and the Note, or (ii) without limiting the rights and remedies of the Bondholder pursuant to the Agreement, to declare the unpaid balance of principal and all accrued interest on the Bond and all other sums payable by the Issuer to be forthwith due and payable whereupon the same shall become immediately due and payable, all without protest,

presentment, notice of protest or other notices of dishonor of any kind all of which are hereby expressly waived by the Issuer except that such declaration or acceleration shall not be required in the case of an event of default pursuant to Section 9(a) hereof which event or events of default shall cause an automatic acceleration of the unpaid balance of principal of and all accrued interest on the Bond and all other amounts payable by the Issuer hereunder.

Any moneys realized from the enforcement of the rights and remedies of the Bondholder hereunder or under the Agreement shall be applied in the following order:

- (i) to the payment of the expenses of collecting such moneys and/or enforcing such rights and remedies by the Bondholder;
- (ii) to the payment of interest on the Bond; and
- (iii) to the payment of principal on the Bond.

The rights and remedies of the Bondholder shall be exercised in the alternative or cumulatively. Any single or partial exercise of any such right, power or remedy shall not preclude the later exercise thereof or exercise of any right, power or remedy hereunder.

Section 11. NOTICES. All notices, requests and demands shall be in writing and shall be given to or made upon the respective addresses specified in the Agreement or such other addresses as any party may specify in writing to the party providing such notice, request or demand and shall be effective upon the mailing of notice, postage prepaid, to the addresses shown in the Agreement.

Section 12. DEFEASANCE. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, the principal of, premium, if any, and interest on the Bond and all other amounts payable by the Issuer at the times and in the manner stipulated in this Bond Purchase Agreement or the Bond, then all covenants, agreements and other obligations of the Issuer hereunder, and the security interests created by this Bond Purchase Agreement, shall thereupon terminate and be discharged and satisfied, and thereupon all the moneys and properties of the Issuer then subject to such security interests shall be free and clear thereof.

Section 13. FUNDS AND INVESTMENTS.

(a) Bond Fund. (1) Creation of the Bond Fund. There is hereby created and established with the Trustee a trust fund to be designated "City of Fort Wayne Economic Development (PRT Corp. Project) Bond Fund".

(2) Payments into the Bond Fund. There shall be deposited in the Bond Fund (i) any amount required to be paid pursuant to Section 13(b) hereof, (ii) all amounts paid as principal of, premium, if any, and interest on the Note, (iii) all interest and other income received on investments as provided in Section 13(c) hereof, (iv) any amount required to be paid pursuant to Section 8.2 of the Agreement and (v) all other moneys received by the Trustee for which specific provision is not made elsewhere herein or in the Agreement.

(3) Use of Moneys in the Bond Fund. All moneys transferred to the Bond Fund from the Construction Fund shall be used by the Trustee to redeem the Bond as provided in Section 4 hereof. Except as provided in clause 5 of this Section 13(a), other moneys in the Bond Fund shall be used solely for the payment of the principal of, premium, if any, and interest on the Bond and for the redemption of Bond prior to maturity.

Any moneys set aside at the direction of the Company for payments of principal or interest on any Bond and the amount of which has been applied as a credit against the Company's obligation to pay the Note pursuant to Section 4.1 of the Loan Agreement, shall not be used for any other purpose.

Whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem the Bond and to pay interest to accrue thereon to such redemption, the Trustee shall redeem the Bond on the next succeeding redemption date for which the required redemption notice may be given.

(4) Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw and apply funds from the Bond Fund for the purposes set forth in clause (3) hereof as such payments become due and payable or as provided in Section 8.1 of the Agreement.

(5) Repayment to the Company from the Bond Fund. Any amounts remaining in the Bond Fund after payment in full of the principal of, interest and premium, if any, on the Bond and the reasonable fees, charges and expenses of the Trustee and all other amounts required to be paid hereunder, shall be paid to the Company.

(b) (1) Construction Fund; Creation and Disbursements. There is hereby created and established with the Trustee a trust fund to be designated "City of Fort Wayne, Economic Development (PRT Corp. Project) Construction Fund." The proceeds of the Bond shall be deposited in the Construction Fund and shall be used in accordance with the provisions of the Agreement. The Trustee is hereby authorized and directed to make disbursements from the Construction Fund as provided herein and in the Loan Agreement without further authorization from the Issuer.

The Trustee shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in clause 2 hereof, the Trustee shall file a statement of income and disbursements with respect thereto with the Issuer and with the Company.

The Trustee is directed to make disbursements from the Construction Fund on a monthly basis, upon receipt by the Trustee of a requisition of the Company signed by the Company and approved by the Bondholder, stating with respect to each payment to be made: (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due, (3) the amount to be paid, (4) that each obligation mentioned therein has been properly incurred, is a proper charge against the Construction Fund, is unpaid therefrom, and has not been the basis of any previous withdrawal; (5) that all of such disbursed proceeds shall be applied by the Company, either to reimburse the Company for Costs of the Facilities previously incurred and paid (and not previously reimbursed), or to pay Costs of the Facilities incurred, in connection with the acquisition, construction, and equipping of the Project, and (6) that all work has been performed according to plans and specifications of the Company for the Project.

(2) Completion Date. The date of completion of the Project shall be evidenced to the Issuer, the Trustee and the Bondholder by a certificate signed by the Company as provided in Section 3.4 of the Agreement.

Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Immediately upon receipt of such certificate and upon giving notice to the Company of its intent to require prepayment of the Note, all moneys remaining in the Construction Fund after payment or provision for payment of all items provided for as Cost of the Facilities, except for moneys retained with the approval of the Company for payment of items not then due and payable, shall be used by the Trustee to redeem the Bond, in whole or in part, as provided in Section 4 hereof at 100% of the principal amount thereof and shall be used to prepay the Note pursuant to Section 9.2 of the Agreement.

(c) Investment of Construction Fund Moneys and Bond Fund Moneys. Any moneys held as a part of the Bond Fund or Construction Fund shall be invested or reinvested by the Trustee at the written direction of the Company to the extent permitted by law in such Authorized Investments as the Company shall direct. Any such investment shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund in which such moneys were originally held and the interest accruing thereon and any profit or loss realized from such investments shall be credited or charged to the appropriate fund. The Trustee shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in either fund is insufficient to make the payments required from such fund regardless of the loss on such liquidation. The Trustee may make any and all investments permitted by this Section through its own bond department.

(d) Arbitrage Covenants. The Trustee covenants that at any time that it has discretion as to such investments it will not use or invest the proceeds of the Bond in any manner which will cause the Bond to become an arbitrage bond within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended.

The Issuer covenants that so long as the Bond remains outstanding the Issuer will not take or authorize the taking of any action which will cause the Bond to be classified as an "arbitrage bond" within the meaning of said Section 103(c) and any lawful regulations promulgated or proposed thereunder, including Sections 1-103-13 and 1-103-14 of the Income Tax Regulations (26 CFR Part 1) as

the same presently exist, or may from time to time hereafter be amended, supplemented or revised.

(e) Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for account of the Bond Fund or the Construction Fund under any provision hereof shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the redemption of Bond, notice of the redemption of which has been duly given, shall, while held by the Trustee, constitute part of the trust estate.

(f) Trustee's Fees, Charges and Expenses. Pursuant to the provisions of Section 4.1 of the Loan Agreement, the Company has agreed to pay the reasonable fees, charges and expenses of the Trustee hereunder.

Section 14. (a) ACCEPTANCE OF THE TRUSTS. The Trustee hereby accepts the trusts imposed upon it hereby, and agrees to perform said trusts, but only upon and subject to the following terms and conditions, and no implied covenants or obligations shall be read herein against the Trustee:

(1) The Trustee undertakes to perform such duties and only such duties as are specifically set forth herein or in the Agreement. In exercising any of its rights or duties, unless a different standard shall be set out herein, the Trustee shall use the same degree of care and skill as a prudent man would under the circumstances in the conduct of his own affairs.

(2) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or employees, and shall be entitled to act upon the opinion or advice of its counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents and employees as may reasonably be employed in connection with the trust hereof. The Trustee may act upon an opinion of counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion of counsel.

(3) The Trustee shall not be responsible for any matter herein, in the Agreement, or in the Bond or for the validity of the execution by the Issuer of this Bond Purchase Agreement or for any supplements thereto or for the sufficiency of the security for the Bond issued hereunder

or intended to be secured hereby, except as to the administration of the Construction Fund or Bond Fund; the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 13(c) hereof.

(4) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect all books, papers and records of the Company pertaining to the Project and the Bond, and to take such memoranda from and in regard thereto as may be desired.

(5) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(6) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(b) Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees and expenses.

(c) Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and vested with title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(d) Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Issuer, Bondholder and the Company shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by

the Bondholder or by the Issuer. Such notice to the Issuer and to the Company may be served personally or sent by registered mail.

(e) Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee and to the Issuer, and signed by the Bondholder.

(f) Appointment of Successor Trustee by the Bondholder. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Bondholder. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing within the State of Indiana, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(g) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer, Bondholder and the Company an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all of the properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the properties, rights, powers, and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor Trustee the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing, shall, on request, be executed, acknowledged and delivered by the Issuer. Any successor Trustee shall promptly notify the paying agents of its appointment as successor Trustee.

(h) In the event of a change of the Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee and the successor Trustee shall become Trustee.

Section 15. MISCELLANEOUS.

a. Waivers, etc. No failure on the part of the Bondholder to exercise and no delay in exercising, and no course of dealing with respect to, any right under this Bond Purchase Agreement, the Agreement, or any other agreement or instrument referred to in this Bond Purchase Agreement, shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by law.

b. Assignment and Transfer by the Bondholder. The Bondholder may assign its interest in the Bond Purchase Agreement, the Note and the Bond by written notice to the Issuer, the Trustee and the Company, including evidence of such transfer, but only in a manner that is consistent with the applicable securities laws, in which case the Issuer shall issue a new Bond payable to the assignee and the Bondholder shall assign the Bond Purchase Agreement, endorse the Note to its assignee and surrender the Bond to the Issuer, which assignment shall not by itself affect the purchase by the Trustee.

c. Successors, etc. This Bond Purchase Agreement shall be binding upon and inure to the benefit of the Issuer, the Trustee and the Bondholder and their respective successors and assigns; provided that the Issuer may not transfer its rights under this Bond Purchase Agreement without the prior written consent of the Bondholder, which consent shall not be unreasonably withheld.

d. Set-off. Nothing in this Bond Purchase Agreement shall be deemed a waiver of or prohibition on the exercise by the Bondholder of any rights it may have with respect to offset of liabilities owed to the Issuer or the Company.

e. Governing Law. This Bond Purchase Agreement shall be construed in accordance with and governed by the law of the State of Indiana.

f. Amendments. Except as provided in subsection (b) hereof, this Bond Purchase Agreement may not be amended, modified or waived except with the written consent of the Issuer, the Trustee, the Company and of the Bondholder.

g. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Bond Purchase Agreement to be duly executed as of the day and year first above written.

CITY OF FORT WAYNE, INDIANA

(Seal)

Attest:

By _____
Winfield Moses, Jr., Mayor

Charles W. Westerman, Clerk

LINCOLN NATIONAL BANK AND TRUST
COMPANY OF FORT WAYNE, AS TRUSTEE

(Seal)

Attest:

By _____
James M. O'Dwyer, Assistant
Vice President and Trust
Counsel

Dennis F. DePrey, Assistant
Trust Officer

LINCOLN NATIONAL BANK AND TRUST
COMPANY OF FORT WAYNE

(Seal)

Attest:

By _____
Robert C. Marshall, Assistant
Vice President

Melvin W. Bredemeier, Assistant
Vice President

Schedule A
(Form of Bond)

No. R-1

\$1,600,000

UNITED STATES OF AMERICA
STATE OF INDIANA
CITY OF FORT WAYNE, INDIANA,
ECONOMIC DEVELOPMENT FIRST MORTGAGE REVENUE BOND
(PRT CORP. PROJECT)

The City of Fort Wayne, a municipal corporation organized and existing under the laws of the State of Indiana ("Issuer"), for value received, promises to pay from the source and as hereinafter provided to Lincoln National Bank and Trust Company of Fort Wayne (the "Bondholder"), the principal sum of One Million Six Hundred Thousand Dollars (\$1,600,000) with interest on the unpaid balance thereof payable monthly on the twentieth day of each month commencing on the twentieth day of the first month after the date hereof to and including September 20, 1986, at the rate per annum of 70% of the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne at its principal office, and from October 20, 1986, through October 20, 1991, at the rate per annum of 75% of the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne at its principal office, as such rates change from date to date, (calculated on the basis of a 360-day year, 30-day month), except as hereinafter provided, and except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto.

Principal of this bond is payable in monthly installments as follows:

- (i) on November 20, 1981, and on the twentieth day of each month thereafter to and including September 20, 1991, the amount of \$13,333.33 for each payment; and
- (ii) on October 20, 1991, a final payment in the amount of the entire principal amount remaining unpaid on this Bond.

Principal of and interest on this bond is payable to the Bondholder in lawful money of the United States of America in immediately available funds by check or draft drawn on Lincoln National Bank and Trust Company of Fort Wayne, as Trustee (the "Trustee") and mailed to the Bondholder.

Redemption of this Bond shall be applied in inverse order of the installments of principal due on this Bond. In the event the bond is partially redeemed, such redemption shall be reflected on the bond.

This bond ("Bond") is issued pursuant to the Bond Purchase Agreement and Trust Indenture, dated as of September 1, 1981, among Issuer, the Trustee and the Bondholder (the "Bond Purchase Agreement"). This Bond is issued for the purpose of financing certain economic development facilities ("Project"), in the City of Fort Wayne, Indiana, for PRT Corp., a corporation duly organized and validly existing under the laws of the State of Indiana (the "Company"), who will lease the economic development facilities to Flashfold Carton, Inc., and paying necessary expenses incidental thereto so as to promote diversification of economic development and job opportunities in and near the City of Fort Wayne, Indiana. The proceeds of the Bond will be loaned by Issuer to Company ("Loan") under the terms of a Loan Agreement, Mortgage and Security Agreement dated as of September 1, 1981 ("Loan Agreement" as from time to time amended and supplemented), and Company has issued a Note dated the date hereof, ("Note") as evidence of its obligation to repay the Loan.

Reference is made to the Bond Purchase Agreement and the Loan Agreement for a description of the property granted as security, and interests pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, Trustee, Company, and Bondholder and terms upon which the Bond is issued and secured, and to all the provisions of which the Bondholder hereof by the acceptance of this Bond assents.

This Bond and the interest of the Bondholder under the Bond Purchase Agreement are transferable in the manner and subject to the limitations provided in

the Bond Purchase Agreement, and upon surrender of this Bond. Upon such transfer a new Bond will be issued to the transferee in exchange therefor.

This Bond shall be subject to redemption as provided in Section 4 of the Bond Purchase Agreement. In the event of a Determination of Taxability (as defined in the Loan Agreement), interest on the Bond shall increase as provided in Section 4 of the Bond Purchase Agreement.

The Bond is issued pursuant to and in full compliance with the constitution and laws of the State of Indiana, particularly the Indiana Code, Title 36, Article 7, Chapter 12 and pursuant to an ordinance adopted by Issuer which ordinance authorizes the execution and delivery of the Loan Agreement and the Bond Purchase Agreement. This Bond is a limited obligation of Issuer and is payable solely out of the revenues and other amounts derived from the Note and the Agreement. Neither the State of Indiana, nor Issuer, nor any political subdivision shall be obligated to pay the principal of the Bond or the interest thereon or other costs incident thereto except from the revenues and money pledged therefor. Neither the faith and credit nor the taxing power of the State of Indiana or any political subdivision thereof is pledged to the payment of the principal of the Bond and the interest thereon or other costs incident thereto. Payments sufficient for the prompt payment when due of the principal of, premium, if any, and interest on the Bond are to be paid by the Company to the Bondholder for the account of Issuer, and have been duly pledged, transferred, set over, and assigned and a security interest granted and conveyed for that purpose, and in addition the Issuer has assigned, transferred, pledged, and granted and conveyed a security interest in and to the Loan Agreement and the Note to the Bondholder to secure payment of such principal, premium, if any, and interest under the Bond Purchase Agreement.

The Bond Purchase Agreement and the Loan Agreement may be modified only as provided therein. Any such consent or waiver by the holder of this Bond shall be conclusive and binding upon such holder and upon all future holders of this Bond and of any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent or waiver is made upon this Bond.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Purchase Agreement and the Loan Agreement and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond together with all other obligations of Issuer, do not exceed or violate any constitutional or statutory limitation; and that the revenues pledged to the payment of the principal of, premium, if any, and interest on this Bond, as the same become due, will be sufficient in amount for that purpose. *Sh-1*

IN WITNESS WHEREOF, the City of Fort Wayne, Indiana, has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its Clerk, all as of the _____ day of _____, 1981.

CITY OF FORT WAYNE, INDIANA

By _____
Mayor

Attest:

Clerk

(SEAL)

Assignment

For Value Received _____
hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite
name and address including
postal zip code of transferee)

(Social security number
of transferee)

the within Bond, together with accrued interest thereon and all right, title and interest thereto, and hereby irrevocably authorize(s) and appoint(s) _____ attorney to transfer said Bond with full power of substitution in the premises.

Dated _____ L.S.

In the presence of

Redemption

<u>Date</u>	<u>Amount</u>	Installments of Principal Eliminated or Reduced
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STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a notary public in and for said county and state, personally appeared Winfield Moses, Jr. and Charles W. Westerman, personally known to me to be the Mayor and Clerk, respectively, of the City of Fort Wayne, State of Indiana, and acknowledged the execution of the foregoing Bond Purchase Agreement for and on behalf of said City.

WITNESS my hand and notarial seal this _____ day of _____, 1981

(Written Signature)

(Printed Signature)

Notary Public

(SEAL)

My commission expires:

My county of residence is:

STATE OF INDIANA

)

) SS:

COUNTY OF ALLEN

)

Before me, the undersigned, a notary public in and for said county and state, personally appeared Robert C. Marshall and Melvin W. Bredemeier, personally known to me to be the Assistant Vice President and Assistant Vice President, respectively, of Lincoln National Bank and Trust Company of Fort Wayne and acknowledged the execution of the foregoing Bond Purchase Agreement for and on behalf of said corporation.

WITNESS my hand and notarial seal this _____ day of _____, 1981

(Written Signature)

(Printed Signature)

Notary Public

(SEAL)

My commission expires:

My county of residence is:

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a notary public in and for said county and state, personally appeared James M. O'Dwyer and Dennis F. DePrey, personally known to me to be the Assistant Vice President and Assistant Trust Officer, respectively, of Lincoln National Bank and Trust Company of Fort Wayne, as Trustee and acknowledged the execution of the foregoing Bond Purchase Agreement for and on behalf of said corporation.

WITNESS my hand and notarial seal this _____ day of _____, 1981

(Written Signature)

(Printed Signature)

Notary Public

(SEAL)

My commission expires:

My county of residence is:

L E A S E

THIS LEASE, entered into this ____ day of _____, 1981, between PRT Corp., an Indiana corporation (hereinafter called "LESSOR"), and Flashfold Carton, Inc., an Indiana corporation (hereinafter called "LESSEE"),

WITNESSETH THAT:

In consideration of the mutual covenants herein contained, it is agreed that:

1. Premises, Term and Warranty. The Lessor does hereby lease, demise and let to Lessee the real estate in Allen County, Indiana, more particularly described in Exhibit A attached hereto and made a part hereof, together with all buildings, structures and fixtures thereon (hereinafter called "REAL ESTATE"), and the machinery, equipment, fixtures, building equipment, and tangible personal property described in Exhibit A (hereinafter called "PROJECT EQUIPMENT").

TO HAVE AND TO HOLD the same with all rights, privileges, easements and appurtenances thereunto belonging, unto Lessee, for a term of ten (10) years, beginning on the _____ day of _____, 1981 and ending on the day prior to such date ten (10) years thereafter. The Lessor hereby represents that it is possessed of a good and indefeasible estate in fee simple to the above-described real estate and Project Equipment,

and Lessor warrants and will defend the same against all claims whatsoever not suffered or caused by the acts or omissions of Lessee or its assigns.

2. Monthly Rental Payments. The Lessee agrees to pay monthly rental for said premises at the rate of \$ _____ (\$ _____), but in no case less than an amount of Thirteen Thousand Three Hundred Thirty-Three Dollars 33/100 (\$13,333.33) plus interest on the unpaid balance of the principal of that certain Economic Development Loan at a rate per annum of seventy percent (70%) of the prime commercial lending rate announced by Lincoln National Bank and Trust Company of Fort Wayne from the day of the first month after delivery of the Bond to and including October 16, 1986 and from November 17, 1986 through October 17, 1991 at the rate of seventy-five percent (75%) of the prime commercial lending rate as announced by Lincoln National Bank and Trust Company of Fort Wayne, as such rates change from date to date, except as provided in the event of a determination of taxability defined in Article I of the Loan Contract between the City of Fort Wayne and PRT Corp. The first rental installment shall be due on November 20, 1981. All rentals payable under the terms of this lease shall be paid by the Lessee to Lincoln National Bank and Trust Company of Fort Wayne, Indiana, as Trustee, or to such other bank or trust company as may from time to time succeed Lincoln National Bank as Trustee under the Trust Indenture securing the first mortgage bonds to be

issued by the Lessor. All payments so made by the Lessee shall be considered as payment to the Lessor of the rentals payable hereunder.

3. Additional Rental Payments. The Lessee shall pay as further rental for said premises all taxes and assessments levied against or on account of the leased property. Any and all such payments shall be made and satisfactory evidence of such payments in the form of receipts shall be furnished to the Lessor by the Lessee, when due. In case the Lessee shall in good faith desire to contest the validity of any such tax or assessment, and shall so notify the Lessor, and shall furnish bond with surety to the approval of the Lessor conditioned for the payment of the charges so desired to be contested and all damages or loss resulting to the Lessor from the non-payment thereof when due, the Lessee shall not be obligated to pay the same until such contests shall have been determined.

4. Abatement of Rent. In the event the buildings and Project Equipment on the premises shall be partially or totally destroyed, whether by fire or any other casualty, so as to render the same unfit, in whole or part, for use and occupancy by the Lessee, it shall then be the obligation of the Lessor to restore and rebuild the buildings and Project Equipment as promptly as may be done, unavoidable strikes and other causes beyond the control of the Lessor excepted; provided, however, that the Lessor shall not be obligated to expend on such restoration or

rebuilding more than the amount of the proceeds received by the Lessor from the insurance provided for in Clause 6 hereof.

If there is in force on the date of such partial or total destruction insurance on the demised premises and the rental value thereof, in accordance with the provisions of Clause 6 hereof, the rent shall be abated for the period during which the buildings and Project Equipment or any part thereof are unfit for occupancy or use and in the case of the buildings shall be in proportion to the percentage of floor area which is unfit for occupancy.

5. Alterations and Repairs. The Lessee assumes all responsibility for repairs and alterations to the buildings. No alterations shall be made by Lessee without first obtaining the written consent of Lessor. At the end of the term, Lessee shall deliver the leased property to Lessor in as good condition as at the beginning of the term, reasonable wear and tear only excepted. The Project Equipment or other personal property which becomes worn out or obsolete may be discarded or sold by Lessee. Lessee need not replace such personal property, but may replace such property at its own expense, which replacement property shall belong to Lessee. The proceeds of the sale of any personal property shall be paid to the above-mentioned Trustee. Lessee may trade in any obsolete or worn out personal property or replacement property which will belong to Lessee upon payment to

the Trustee of an amount equal to the trade-in value of such property.

6. Insurance. Lessee, at its own expense, will, during the full term of the lease, keep the demised premises insured against physical loss or damage, however caused, with such exceptions as are ordinarily required by insurers of buildings or facilities of a similar type, in good and responsible insurance companies subject to the approval of Lessor. During the full term of this lease Lessee may also, at its own expense, maintain rent or rental value insurance in an amount equal to the full rental value of the leased facilities for a period of two (2) years against physical loss or damage of the type insured against pursuant to the preceding requirements of this clause. Such policies shall be for the benefit of persons having an insurable interest in the demised premises, and shall be made payable to the Lessor or to such other person or persons as the Lessor may designate. Such policies shall be countersigned by an agent of the insurer who is a resident of the State of Indiana, and such policies, together with a certificate of the insurance commissioner certifying that the persons countersigning such policies are duly qualified in the State of Indiana as resident agents of the insurers on whose behalf they may have signed. If, at any time, the Lessee fails to maintain insurance in accordance with this clause, such

insurance may be obtained by the Lessor and the amount paid therefor shall be added to the amount of rental payable by the Lessee under this lease; provided, however, that the Lessor shall be under no obligation to obtain such insurance and any action or non-action of the Lessor in this regard shall not relieve the Lessee of any consequence of its default in failing to obtain such insurance, including its obligation to continue the rental payments in case of total or partial destruction of the buildings as provided in Clause 4 hereof.

7. General Covenants. The Lessee shall not assign this lease or sublet the demised premises herein described without the written consent of Lessor. Lessee shall use and maintain the demised premises in accordance with the laws and ordinances of the United States of America, the State of Indiana, and all other proper governmental authorities.

8. Defaults. If the Lessee shall default in the payment of any rentals or other sums payable to the Lessor hereunder, or in the payment of any other sum herein required to be paid for the Lessor, or in the observance of any other covenant, agreement or condition hereof, and such default shall continue for ninety (90) days after written notice to correct the same, then, in any or either of such events, the Lessor may proceed to protect and

enforce its rights by suit or suits in equity or at law in any court of competent jurisdiction, whether for specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, or the Lessor, at its option, without further notice, may terminate the estate and interest of the Lessee hereunder, and it shall be lawful for the Lessor forthwith to resume possession of the demised premises and the Lessee covenants to surrender the same forthwith upon demand.

The exercise by the Lessor of the above right to terminate this lease shall not release the Lessee from the performance of any obligation hereof maturing prior to the Lessor's actual entry into possession. No waiver by the Lessor of any right to terminate this lease upon any default shall operate to waive such right upon the same or other default subsequently occurring.

9. Notices. Whenever either party shall be required to give notice to the other under this lease, it shall be sufficient service of such notice to deposit the same in the United States mail, in an envelope duly stamped, registered and addressed to the other party or parties at their last known place of business.

10. Successors or Assigns. All covenants of this lease, whether by Lessor or Lessee, shall be binding upon the successors and assigns of the respective parties hereto.

11. Other Agreement. Notwithstanding any provision herein to the contrary, Lessee agrees to abide by all covenants made by Lessor, and all restrictions placed on Lessor under that certain loan contract among the City of Fort Wayne, Indiana, Lincoln National Bank and Trust Company of Fort Wayn, and PRT Corp. dated _____, 1981.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed for and on their behalf the day and year first hereinabove written.

LESSOR

PRT CORP.

(SEAL)

BY _____
(Written Signature)

BY: _____
(Printed Signature) President

Attest:

(Written Signature)

(Printed Signature)

LESSEE

FLASHFOLD CARTON, INC.

(SEAL)

BY _____
(Written Signature)

BY _____
(Printed Signature)

Attest:

President

(Written Signature)

(Printed Signature)

STATE OF INDIANA)
)SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public in and for said
County and State, personally appeared _____,
be the _____, personally known to me to
and _____, respectively of PRT Corp, and acknowledged the execution of the
foregoing lease for and on behalf of said Corporation.

WITNESS my hand and notarial seal this _____ day of
_____, 1981.

(Written Signature)

(Printed Signature)
Notary Public

My Commission expires _____
County of Residence: Allen County, Indiana.

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, personally known to me to be the _____ and _____, respectively of Flashfold Carton, Inc., and acknowledged the execution of the foregoing lease for and on behalf of said Corporation.

WITNESS my hand and notarial seal this _____ day of _____, 1981.

(Written Signature

(Printed Signature)
Notary Public

My Commission expires: _____
County of Residence: Allen County, Indiana.

LESSEE'S CONSENT AND AGREEMENT
TO LEASE ASSIGNMENT

CONSENT AND AGREEMENT, dated as of September 1, 1981, of Flashfold Carton, Inc., an Indiana corporation ("Lessee").

The Lessee, lessee under the Lease Agreement dated as of September 1, 1981 ("Lease"), with PRT Corp., an Indiana corporation ("Assignor"), acknowledges receipt of a true copy of the Collateral Assignment of Lease and Rentals dated as of the date hereof ("Assignment"), from Assignor to Lincoln National Bank and Trust Company of Fort Wayne, a national banking association, as trustee ("Trustee"), pursuant to the Bond Purchase Agreement and Trust Indenture dated as of the date hereof, and hereby:

1. Consents to all the provisions contained in the Assignment, insofar as the same pertain to the Lease, and agrees that the rights, powers, privileges and other benefits assigned to the Trustee thereby, and all remedies under the Lease may be enforced by the Trustee, separate and apart from, and without notice to or consent or joinder of, Assignor, or any mortgagee, secured party or assignee of the rights, powers, privileges or other benefits under the Lease not thereby assigned to the Trustee;

2. Waives as against the Trustee, its successors and assigns, all claims now or hereafter existing against Assignor under the Lease;

3. Agrees that until such time, if any, as the Assignment shall cease and terminate, the Lessee will pay to the Trustee, its successors and assigns, upon its request, an amount equal to all basic rentals and other amounts (excepting only rentals over and above basic rentals), payable to Assignor by the Lessee according to the terms of the Lease, without any abatement, reduction, defense, setoff, counterclaim or recoupment whatsoever, and will not surrender the Project subject to the Lease to any person other than the Trustee, or otherwise in accordance with written instructions delivered to it by the Trustee;

4. Agrees that it will not, without the prior written consent of the Trustee, which consent shall not be unreasonably withheld, enter into any agreement amending, modifying or terminating the Lease, and that any attempted amendment, modification or termination without such consent shall be void;

5. Agrees that it will remain obligated under the Lease in accordance with its terms and that it will not take any action to terminate, rescind or void the Lease (except with respect to obligations to pay rentals over and above basic rentals), notwithstanding any default by Assignor, the existence of any defense, setoff, counterclaim or right or abatement, reduction or recoupment as between Assignor and the Lessee, the existence of any other liability or obligation of any kind or character on the part of Assignor to the Lessee or to any third person or governmental authority, or any bankruptcy or other proceedings affecting Assignor or any assignee thereof, or any action taken by any trustee or receiver of Assignor, or of any such assignee or by any court in any such proceeding; and

6. Warrants to the Trustee that the Lease is valid, in full force and effect, and is enforceable in accordance with its terms, the Lessee has made no advance payments of basic rental thereunder, and neither Assignor nor the Lessee is in default thereunder.

FLASHFOLD CARTON, INC.

By: _____

(SEAL)

Attest:

_____, _____

Accepted and agreed by the Trustee this ____ day
of _____, 19____.

LINCOLN NATIONAL BANK AND TRUST
COMPANY OF FORT WAYNE

By: _____

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, personally appeared _____, _____ and _____, of Flashfold Carton, Inc., who acknowledged the execution of the foregoing Lessee's Consent and Agreement to Lease Assignment, for and on behalf of Flashfold Carton, Inc., and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, 19____.

(Written Signature)

(Printed Signature)

Notary Public

My commission expires:

My county of residence is:

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, personally appeared _____, _____ of Lincoln National Bank and Trust Company of Fort Wayne, as Trustee, who acknowledged the execution of the foregoing Lessee's Consent and Agreement to Lease Assignment, for and on behalf of Lincoln National Bank and Trust Company of Fort Wayne, and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, 19____.

(Written Signature)

(Printed Signature)

Notary Public

My commission expires:

My county of residence is:

This instrument was prepared by Philip C. Genetos, Attorney, Ice Miller Donadio & Ryan, 111 Monument Circle, Indianapolis, Indiana 46204 - (317) 635-1213.

COLLATERAL ASSIGNMENT OF LEASE AND RENTALS

COLLATERAL ASSIGNMENT OF LEASE AND RENTALS, dated as of September 1, 1981, by and between PRT Corp., an Indiana corporation ("Assignor"), and Lincoln National Bank and Trust Company of Fort Wayne, a national banking association with its principal banking offices at Fort Wayne, Indiana, as Trustee ("Trustee"), pursuant to the Bond Purchase Agreement and Trust Indenture dated as of the date hereof ("Bond Purchase Agreement"), among the City of Fort Wayne ("Issuer"), Lincoln National Bank and Trust Company of Fort Wayne, as Bondholder, and Trustee.

The Assignor and Flashfold Carton, Inc., an Indiana corporation ("Lessee"), have entered into a Lease Agreement dated as of September 1, 1981, ("Lease"), providing for the leasing by the Assignor to the Lessee of certain real estate, and the improvements thereon and certain equipment therein ("Project").

The Assignor desires to finance a portion or all of the cost of the Project by borrowing from the Issuer, pursuant to the Loan Agreement, Mortgage and Security Agreement dated as of the date hereof ("Loan Agreement") between the Issuer and the Assignor, the proceeds of economic development revenue bonds issued by the Issuer pursuant to the Bond Purchase Agreement. Such borrowings (hereinafter collectively called the "Loan"), are to be evidenced by a promissory note of the Assignor (hereinafter called the "Note"), payable to the Issuer and endorsed thereby to the Trustee. The obligations of the Assignor arising under the Loan Agreement, the Note and this Assignment are hereinafter collectively called the "Liabilities".

NOW, THEREFORE, to induce the Issuer to enter into the Loan Agreement, Mortgage and Security Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Assignor agrees as follows:

1. As security for the payment and performance of the Liabilities, the Assignor hereby assigns, transfers and sets over unto the Trustee all the Assignor's right, title and interests, as lessor under the Lease, together with all rights, powers and privileges and other benefits of the Assignor, as lessor under the Lease, including without limitation, the immediate right to receive and collect all basic rentals payable to or receivable by the Assignor under or pursuant to the provisions of the Lease, and the right to make all waivers and agreement, to give all notices, consents and releases, to take all action upon the happening of a default under the Lease, and to do any and all other things whatsoever which the Assignor, as lessor, is or

may become entitled to do under the Lease. In furtherance of the foregoing Assignment, the Assignor hereby irrevocably authorizes and empowers the Trustee in its own name, or in the name of its nominee, or in the name of the Assignor, or as its attorney, to ask, demand, sue for, collect and receive any and all basic rentals to which the Trustee is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions of the Lease.

2. The Assignment made hereby is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer or pass, or in any way affect or modify the liability of the Assignor under the Lease, it being understood and agreed that notwithstanding such Assignment, or any subsequent assignment, all obligations of the Assignor to the Lessee under the Lease shall be and remain enforceable by the Lessee, its successors and assigns against, and only against, the Assignor.

3. The Assignor covenants and agrees that it will perform all of its obligations to be performed under the terms of the Lease, and hereby irrevocably authorizes and empowers the Trustee, in its own name or in the name of its nominee, or in the name of the Assignor as its attorney on the happening of any failure by the Assignor to perform, or cause to be performed, any such obligation, all at the Assignor's expense.

4. Upon the full discharge and satisfaction of the Liabilities, the Assignment made hereby and all rights herein assigned to the Trustee shall cease and terminate, and all estate, right, title and interest of the Trustee in and to the Lease shall revert to the Assignor.

5. The Assignor warrants and covenants that: (a) the execution and delivery by the Assignor of the Lease, the Loan Agreement, Mortgage and Security Agreement, this Assignment, the Bond Purchase Agreement, and the Note are (or, upon their execution and delivery in accordance with the Bond Purchase Agreement, will be), and will remain, the valid and binding obligations of the Assignor in accordance with their terms; (b) the Assignor has not executed any other assignment of the Lease and its right to receive all payments of basic rental under the Lease is and will continue to be free and clear of any and all liens, agreements or encumbrances (except this Assignment), created or suffered by any act or omission on the part of the Assignor (other than any act or omission in respect of which the Lessee has assumed responsibility under the Lease), and the Assignor has received no advance basic rental payments under the Lease; (c) notwithstanding this Assignment, the Assignor

will conform and comply with each and all of the covenants and conditions in the Lease set forth to be complied with by it; and (d) to the knowledge of the Assignor, it has performed all obligations on its part to be performed under the Lease on or prior to the date hereof, and there has not occurred on or prior to the date hereof any default under the Lease.

6. The Assignor covenants and agrees with the Trustee that any suit, proceeding or action brought by the Trustee under the Lease for any installment of, or interest on, any basic rental payment or other sum owing thereunder, or to enforce any provisions of such Lease, the Assignor will save, indemnify and keep the Trustee harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Lessee thereunder or its successors, arising out of a breach by the Assignor of any obligation under the Lease or arising out of any other indebtedness or liability at any time owing to the Lessee or its successors from the Assignor. Any and all such obligations of the Assignor shall be and remain enforceable against, and only against, the Assignor and shall not be enforceable against the Trustee or any party or parties in whom any of the rights of the Assignor under the Lease shall vest by reason of the successive assignments or transfers.

7. The Assignor will, from time to time, execute all such financing statements and supplemental instruments reasonably requested by the Trustee in order to confirm or further assure the Assignment made hereby and the provisions hereof.

8. The Trustee may assign all or any of its rights under the Lease, including the right to receive any payments of basic rental due or to become due to it from the Lessee thereunder. In the event of any such assignment and such subsequent or successive assignments, assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder.

9. The Assignor agrees that it will not, without the prior written consent of the Trustee, which consent shall not be unreasonably withheld, enter into any agreement amending, modifying or terminating the Lease, and that any attempted amendment, modification or termination thereof without such consent shall be void.

10. This Assignment shall be governed by the laws of the State of Indiana.

11. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

12. The Assignor shall cause copies of all notices in connection with the Lease to be promptly delivered to the Trustee at 116 East Berry Street, Fort Wayne, Indiana 46802, or at such other address as the Trustee shall designate.

IN WITNESS WHEREOF, the Assignor has caused this instrument to be signed by its officers thereunto duly authorized as of the date first above written.

PRT CORP.

By: _____

(SEAL)

Attest:

This instrument prepared by Philip C. Genetos, Attorney,
Ice Miller Donadio & Ryan, 111 Monument Circle, Indianapolis,
Indiana 46204 - (317) 635-1213.

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, personally appeared _____ and _____, of PRT Corp., who acknowledged the execution of the foregoing Collateral Assignment of Lease and Rentals, for and on behalf of PRT Corp., and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, 19____.

(Written Signature)

(Printed Signature)

Notary Public

My commission expires:

My county of residence is: